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REGIONAL AFFAIRS

Commentary Advocates 'Liberating' Hala'ib

93AF0083A Cairo AL-WAFD in Arabic 21 Sep 92 p 7

[Article by Dr. 'Abd-al-'Azim Ramadan: "Is Egypt's Hala'ib Another Sinai?"]

[Text] I once wrote that, for some, Arab nationalism represents another Trojan horse, within which are hidden all Egyptian writers who wish to criticize Egypt to another Arab country's advantage without being accused of committing high treason! For example, most of the communists and Nasirists have sided with the rejectionist countries against their homeland, Egypt, by supporting the anti-Egypt boycott resolutions adopted by the Baghdad Conference under the pretext of Arab nationalism.

Such writers have completely forgotten Egyptian patriotism. They have escaped the charge of high treason by being Arab nationalists! Moreover, they have accused Egypt of treason against the Arabs. One Egyptian writer chided the Baghdad Conference because it did not adopt stronger resolutions against Egypt! Perhaps he meant that the countries participating in the conference should have declared war against Egypt!

A group of Egyptians in this Trojan horse rejected the liberation of Sinai, arguing that it was being liberated to the exclusion of the West Bank, the Gaza Strip, and the Golan. They have forgotten that this was not Egypt's fault, but that of those who abandoned and scorned Egypt, accused it of betrayal, and refused to participate with Egypt in the peace initiative. They have also forgotten that no Arab country has the right to impose its will on Egyptian policy or to dictate what Egypt must do or not do! Egypt's right to make efforts to liberate Sinai is a vested right. No one is entitled to appropriate this right under any pretext, because, as long as Egypt possess the key to war, it naturally possesses the key to peace.

The important thing is that the mistake made by this group of Egyptians regarding the liberation of Sinai is about to be made by others regarding Hala'ib! This is what we have been warning against since the outset, because this group's position will be much worse than that of the previous group, not only because the Arab situation has changed from what it was in the days of the Baghdad Conference, but because the current political regime in Sudan is a military regime imposed on the Sudanese people. It wants to deflect the Sudanese attention from the domestic front by preoccupying them with border problems, as every political regime which lacks internal stability and fears popular tempests is wont to do.

I received a letter from Muhammad Mahmud Radwan, the managing editor director of the Omani magazine AL-NAHDAH in Muscat (the letter took four months to arrive!) entitled, "Save Egypt's Hala'ib." I am publishing it here in full because of its importance. In the letter, he

says, "We Egyptians who are living outside our homeland are distressed and embittered by the raising of the issue of Egypt's "Hala'ib" after reading of the practices of successive Sudanese governments against Egyptians in Hala'ib, including the expulsion of Egyptian engineers working in the manganese project, after they were arrested and made a written promise to never again enter Sudanese territory (i.e., Hala'ib!), otherwise they would be subject to rearrest!

"What type of humiliation is this which causes us remain quiet based on this pretense of eternal relations between two fraternal peoples, and other such empty slogans which are unfortunately not adhered to, and to which only we Egyptians aspire.

"Everywhere here, Sudanese claim that Hala'ib is Sudanese territory, and that Egypt cannot regain it from the Sudanese! They emphasize that what happened is a tempest in a teapot, after which Egypt will calm down, and the affair will be closed as were past political crises that amounted to nothing!

"As proof, they state that if Hala'ib were truly Egyptian, Egypt would have reclaimed it long ago! They then distribute suspect maps showing Hala'ib as part of Sudan!

"The unfortunate thing is that the Sudanese emigre community in Muscat issued a commemorative booklet in January 1991 on Sudan's Independence Day [1 January], which states verbatim, "The Egyptian occupation flag has been taken down, and the Sudanese flag has been hoisted"! The phrase "Egyptian occupation" is repeated a number of times!

"While they say this, some of our writers are singing the praises of brotherly relations between the two fraternal peoples! We here are better acquainted with their feelings of malice toward Egypt, [the feelings of] members of the Sudanese people before the ruling [Sudanese] authorities!

"Amid such a deluge of hostile feelings, Dr. Ahmad 'Abdallah provides us with an insight in his article in the 21 March 1992 issue of the newspaper AL-KHALIJ in the United Arab Emirates entitled, "Egypt and Sudan: Delayed Payment." In this article, which is bristling with latent malice for Egypt and Egyptians, the author distastefully describes the Egyptians' view of the Sudanese, divesting the Egyptians of human sensitivity. He is surprised that the issue of Hala'ib has been raised. Moreover, he advocates forgetting the territory of Egypt's Hala'ib!

"It is inconceivable for such talk to originate with an Egyptian who has a germ of Egyptian honor and identity in his blood. The article of this unrequited hater is overflowing with hatred for Egyptians and a blind partiality toward Sudanese! If you want a dose of the poison which he wrote, read his article. It describes our demands regarding Hala'ib as if we were a bankrupt merchant searching for old ledgers!

"This hater is either a Sudanese hiding behind an Egyptian name, or he has Sudanese roots which are resentful of Egypt! This comes as no surprise, because these are their true feelings toward Egypt, regardless of the love poems we have recited about eternal relations between the two peoples of the Nile Valley!

"In the name of the people of Egypt, in the name of the souls of the blessed martyrs, we call for a quick resolution of the problem of Egypt's Hala'ib and the return our sacred soil to its motherland. It is 18,000 kilometers, not 800 meters!

"Hala'ib is 100 percent Egyptian. Let us not speak of emotions and flattery. Egypt's soil is more precious than any Sudanese flattery, haggling, and procrastination. No honorable Egyptian would tolerate the relinquishment of a single grain of sand of the land of Egypt's Hala'ib. We want full, undiminished sovereignty over it. May the souls of the martyrs rightly guide in the next world."

[Thus] ended the letter of Muhammad Mahmud Radwan, which was accompanied by another letter which he wrote to the editor of AL-KHALIJ, and which we will publish in our next article, because AL-KHALIJ did not publish it. We would like to express several reservations [regarding Muhammad Mahmud Radwan's letter]. First, the eternal relations between the two peoples of the Nile Valley are a historical fact and not a slogan. When I meet a Sudanese, I am personally unable to distinguish whether he is Sudanese or Egyptian. I do not at all feel that I am dealing with an Arab from outside Egypt. I feel that he is closer to me than any other citizen.

Second, there is nothing new in the Sudanese talking about Egypt's occupation of Hala'ib. In other words, the years of Britain's occupation of Sudan cultivated the formation of a group of Sudanese who speak of Egypt's occupation of Sudan, but forget Britain's occupation! They are interested in studying the occupation of Sudan by Muhammad 'Ali, but ignore Britain's occupation of Sudan! They think that they are thereby serving the cause of Sudanese independence at the expense of Nile Valley unity. The result is that they have achieved neither independence nor unity! Sudan's conditions under independence are much worse than they were before independence! Third, no Egyptian hates Egypt. Wherever there is an Egyptian who strays from serving Egypt's interests, we must engage him in a point by point debate, as we intend to do in the next article.

EC-GCC Free Trade Agreement Implications

93AE0008B London AL-HAYAH in Arabic 28 Sep 92
p 9

[Interview with Tony Reed, general secretary of the Association of Petrochemical Producers in Europe, by Nur-al-Din al-Faridi in Brussels; date not given: "Conclusion of European-Gulf Trade Agreement Risks Loss of 75,000 Factory Jobs"—first five paragraphs are AL-HAYAH introduction]

[Text] The Association of Petrochemical Producers in Europe continues to oppose the prospect of free trade to be established in coming years between the EC and the GCC.

In an interview with AL-HAYAH, the association's general secretary, Tony Reed, explained the position as fear of intensified competition and the danger that Gulf products will travel to European markets at a time when the United States and Japan impose duties on Gulf exports. The European Association of Petrochemical Industries is proposing a formula of lowering duties internationally and discussing them in the context of the multilateral GATT negotiations.

The association includes 31 European petrochemical firms that employ 600,000 people. As a group, they can activate strong pressure. They succeeded through their supporters in the European parliament in passing a resolution in this July's session opposing the prospect of free trade between Europe and the Gulf.

The European delegation handed the Gulf negotiators an amended recommendation on 18 January. It included subjecting sensitive products to duties during a 12-year transition period. The delegation is waiting for the official Gulf response to its proposals.

The text of the interview with the general secretary follows:

[Al-Faridi] European industries fear the competitiveness of Gulf petrochemicals and are opposing the scheduled agreement between the EC and the GCC. What is the distinctive character of the petrochemicals market?

[Reed] 1991 was a difficult year. I am not speculating when I predict more difficulties in the current year, because production exceeds the volume of demand in the European market and outside it. One can see the difficulties by looking at the trends of ethylene production in Western Europe and outside. The volume of consumption in the Western European market last year was 14.9 million tons—the same level as in the two previous years. The production level in 1991 reached 14.8 million tons, which was 86 percent of the annual production capacity, estimated at 17.280 million tons. This was an increase of 1.5 million tons over the 1990 volume. This increase resulted from the merger of two old factories in East Germany after German unification (they produce about 400,000 tons) and from the opening of a new factory in Belgium with a production capacity of 450,000 tons. Also, the improvement of technology made possible an increase of 650,000 tons from various European factories.

At the same time, production capacities rose in the Middle East, for example, and in Southeast Asia, especially in South Korea, even though the latter does not possess sufficient primary materials. This has led in the current situation to an excess of supply over demand. It is a simple law, which, in the case of the European petrochemicals industry, means lower profits. I can call

what is happening now a problem of "educating businessmen." In past decades, European and American industries aimed at supplying the markets of Europe and North America and part of the Asian market. In 1980, American and European companies covered 71.2 percent of the needs of the market, while other producers provided 28.8 percent. The picture will be reversed in 1996 because of the rising production of other areas. The latter will provide 51.4 percent of the market's needs, while American and Western European firms will provide 48.6 percent.

I now will review with you the question of increasing Gulf products. The Gulf market absorbs a small growth in domestic production. The surplus goes to the European, American, and Asian market. The problem lies not in marketing the production, but in obtaining acceptable prices. This is leading to pressure on the profit margin in the European market and elsewhere.

[Al-Faridi] Are prices and their decline the main reason leading European industries to oppose prospects for free trade between the EC and the GCC?

[Reed] Not at all. We oppose every free trade agreement at the bilateral level, whether concluded with the Gulf region or any other region. We likewise oppose the trade privileges that the EC grants to industrial products of the developing countries under the system of "generalized preferences." (It should be mentioned here that the industries of the Gulf region, like those of other developing oil countries, export quotas of petrochemicals exempt from European duties, which are imposed when these exports exceed a fixed ceiling.)

The Association of Petrochemical Producers in Europe opposes the agreement scheduled to be signed between the EC and the GCC. You realize that the bilateral formula has political aspects that we understand and do not oppose. However, the bilateral formula will lead to a total unbalancing of the petrochemicals market. The products of the Gulf region will go into the European market, while other markets will maintain their duties. If this agreement is signed and implemented, we predict that the entry of Middle Eastern products will lead within five years to the closure of four European factories and to 75,000 workers losing their jobs. For our part, we propose lowering customs duties on petrochemicals comprehensively through the GATT talks. I should mention that the GCC countries do not hold membership in the General Agreements on Trade and Tariffs.

[Al-Faridi] But they have announced their intention to join.

[Reed] The basic problem is that a bilateral agreement leads to unbalancing the market. That is what we oppose.

[Al-Faridi] You mentioned the smallness of the Gulf market. But why don't the members of the European petrochemicals industry look for areas of industrial cooperation with Gulf petrochemicals manufacturing firms?

[Reed] If you consult the report of the Saudi corporation SABIC, you will find that European firms are helping to implement many projects in the Gulf region. One should also recall that European firms are looking for opportunities to invest in other markets, such as North America, South America, and Southeast Asia—in other words, to help implement large projects—and also in India. When a broad consumer market exists, the main reason for investment exists along with it.

[Al-Faridi] It will be difficult for the European Parliament to halt the free trade agreement when the negotiations between the European delegation and the GCC general secretariat arrive at its signature, for the parliament is supposed to give its opinion, not ratify the agreement.

[Reed] I doubt the prospect of concluding the agreement.

[Al-Faridi] Will representatives of the European petrochemicals industries participate in the second meeting that will bring together European and Gulf partners between 25 and 27 September in Doha?

[Reed] Ask the organizers of the conference. We have received no invitation, despite the fact that our petrochemical products are used in many sectors that will be represented in the Doha conference, such as construction, light industries, and the industries derived from the oil and petrochemical industries.

Persian Gulf Freight Rates Rise 16 Percent

93AE0008A London AL-HAYAH in Arabic 26 Sep 92
p 10

[Article: "International Shipping Companies Have Raised Container Cargo Rates to the Gulf by 16 Percent"]

[Text] Dubayy—The international shipping companies whose vessels travel to the Gulf region have continued to impose new surcharges on the basic fees of the sea cargo tariff between Europe and Gulf ports. Eight shipping lines operating between the two regions have announced that they have taken this step in order to adjust rates that have decreased as a result of the decline in the exchange rate of the dollar in financial markets.

Shipping sources in Dubayy said that the shipping companies have informed their customers that starting the first of next month the new surcharges on cargo fees will amount to 16 percent, instead of 13.5 percent, on all cargoes traveling to Gulf ports from Europe.

The sources added that the new increase comes in the wake of the dollar's continued decline in relation to international currencies. It comes in view of the fact that freight fees on shipments coming from Europe are calculated in dollars, while the shipping lines pay their wages and costs in European currencies according to the shipping line.

At the beginning of this August, the shipping lines imposed a 6.5 percent increase on basic freight fees after the dollar declined. Another increase of 7 percent followed at the end of the same month. A third increase came last week, so that the increases added to sea cargo rates from Europe to the Gulf total 16 percent.

Commercial sources in the Gulf have told AL-HAYAH that they disapprove of the latest step by the international shipping companies. The shipping lines, they said, ought to reduce the surcharges they imposed on shipping rates because of what they call the fluctuation of the dollar against the European currencies: for the dollar has realized a noticeable rise in the past two weeks against the pound sterling and the French franc, as well as the German mark, ranging between 2 and 12 percent; it has not declined as these lines have alleged.

They added that the merchants of the Gulf region have borne many burdens in the past because of international shipping companies that from time to time imposed increases some of which were justified, others unjustified. After the end of the second Gulf war and its concomitant surcharges because of war dangers, increased oil prices, and the decline of the dollar at that time, the shipping companies no longer had any arguments except the factor of the dollar to use as a new peg on which to hang their increased profits.

The merchants therefore have called on Gulf chambers of commerce to intervene to help them break the shipping companies' monopoly in deciding from time to time to impose any prices they see fit on merchants. This in fact harms importing firms and raises the cost of imported goods to consumers.

The sources said that this behavior is no longer acceptable and that the issue must be discussed immediately at the level of GCC trade officials to alleviate the burdens on merchants and consumers in the region. They pointed out that shipping companies operating in the region make large profits at the expense of merchants and consumers because most of the region's markets rely on importation to satisfy their needs for commodities, food, and consumer goods.

The EC is the largest supplier to the GCC countries. Its yearly exports to the region's markets are estimated at \$20 billion. Food and consumer goods constitute nearly 60 percent of these exports. The region's bill for imports from American markets amounts to approximately \$10 billion. Its bill for imports from Japan is nearly \$6 billion.

It costs approximately \$2,500 to transport a container from European ports to the Gulf region, compared to \$1,800 to transport it from ports located in southeast Asia. The cost of transportation from the United States is about \$2,900. The cost of transporting a container from the Gulf region to European ports is less than one-half because of the large amount of vacant space aboard ships sailing to these ports from the Gulf region.

Arab Students Flee Bosnia

92AE0621A London AL-SHARQ AL-AWSAT in Arabic
16 Aug 92 p 1

[Article by As'ad Taha]

[Text] AL-SHARK AL-AWSAT met Arab university students who fled the horrible war going on in Bosnia-Herzegovina. These students were studying at Bani Luka city, which the Serbs considered the capital of their republic. Serbs had named their republic "The Republic of Serbs in Bosnia-Herzegovina."

Some students refused to speak for fear of being subjected to the tyranny of Serbian authorities when they returned to the Serbian city for their final exams. Others were not afraid to depict the terrible conditions of Bosnia-Herzegovina Muslims and the horrors that they suffered at the hands of the Serbs.

M. 'Uda, a Palestinian student, said the Serbian forces isolated Muslims in the suburbs where they lived, and did not permit them to leave those suburbs. Serbs also established three detention camps in the city, one in the stadium, the second in a middle school, and the third in the central park. He added that Serbian authorities detained men in these camps to prevent them from joining their brethren in the Bosnian defense forces. 'Uda also said that during the last Friday prayer that he attended, which was held in secrecy, the "Imam" appealed to worshipers in his sermon to send the captives food and aid because they had been without food or water for five days. He added that Serbian police in the city allowed any Serb to intrude into any Muslim home, meddle with any of his belongings, and do whatever he wished to do, under the protection of the police who controlled the city.

S. Ziyad, a Syrian student, said that any Muslim who dared leave the suburb where he lived and went into the city streets, could be arrested and beaten. Muslims were also kidnapped from the streets, and taken to hospitals to have blood drawn from them. This blood would be transfused to Serbs who lost blood while fighting Muslims in other regions. Ziyad also added that the head of the Serbian party in the city was a gynecologist who gave instructions to the city's main hospital not to admit any Muslim women for delivery.

Ziyad added that Serbs had special cards that enabled them to purchase their food and consumer goods. Muslims did not have similar cards, and they had to pay three times as much as Serbs for their basic needs. Muslims not only suffered much hardship, but they also had Serbian forces intrude into their homes. Those intruding forces either stole all that they found, or else they fiddled with it, for example, by mixing sugar, salt, and flour together.

Wa'il, a Palestinian student, said that Serb leaders in the city acted in the same way as Saddam Husayn did during the Gulf war. Serbs prohibited Muslims from leaving the

city, and declared that they would be treated as hostages. Wa'il described what happened in a village, where Serb forces arrested three Muslim girls and tied them to the front of a tank, which they drove through Muslim areas of the city, in complete defiance of any human feelings.

ISRAEL

Reasons Given for Upsurge in Intifadah

TA1810150892 Tel Aviv YEDI'OT AHARONOT
in Hebrew 18 Oct 92 p 1

[Article by Ron Ben-Yishay]

[Text] The attack on the Israeli car last night near Matityahu, which joined the series of attacks and terrorist acts of last week, has created the impression of an unprecedented tidal wave in the intifadah.

With all the pain and rage over the attacks, one must remember that roadside bombs have been used in the territories in the past also, both against soldiers and civilians travelling the roads of Judaea, Samaria, and the Gaza Strip. They have been relatively infrequent, because the terrorists in the territories have in their possession only a small amount of explosives; however, during the intifadah, the terrorists apparently learned how to prepare improvised explosives.

Just as there have been roadside bombs in the past, there have also been rising waves of attacks with live weapons and knifings. The current overflowing wave of attacks does not, in itself, signify a turning point in the intifadah. The intifadah is alive and kicking since its inception in December 1987. It changes shape according to events which affect the willingness of its activists to take an active part and risk confrontation with the security forces.

One should relate to the present wave of terrorism in the same way past rising waves of terror were related to. One should not succumb to weeping and panic because of it. This is part of the struggle Israel is waging for peace, and like other struggles, it also exacts sacrifices. The Israel Defense Forces [IDF] and security forces have known how to deal with rising waves of terror in the past, and one can resume they will find the response to the present wave, which has arisen due to three factors:

One factor is disappointment over the outcome of the political negotiations, which led to the aggrandizement of the rejectionist organizations which oppose the negotiations. Willingness to enlist in the ranks of the Democratic Front for the Liberation of Palestine, the Popular Front for the Liberation of Palestine, and Hamas [Islamic Resistance Movement], is now higher than in the past, and new recruits—usually youths in their twenties—are motivated by what appears to them to be despair over the political process, into carrying out attacks—something they were unwilling to do when the

possibility of negotiations leading to speedy results seemed rosier, as they did over a year ago.

Another factor is the security prisoners' strike, which led to the awakening of desires in the Palestinian street and which spurs these youths to increased activity. Some of them commit murders by knifings, which have become commonplace, and some of them, as seen last night, are willing to risk assembling an improvised bomb.

The third factor is the unifying of the ranks of those organizations which reject the autonomy negotiations, as demonstrated with the convening of these organizations in Damascus. The leaders of these organizations are apparently succeeding, by means of cooperation among themselves, in bringing about the intensification of hostile sabotage operations, including the use of explosives and live weapons against the IDF.

Another reason for the awakening is the gatherings held in the Palestinian factions in Jordan and Tunis towards the resumption of the negotiations in Washington next week. On the eve of every round of negotiations there is a rise in "hardcore" sabotage activities.

For the last two months the IDF has believed that the Palestinian street is tired, and that the intifadah is now the sole property of a handful of violent and armed wanted men, against whom it is possible to fight by means of special units. This assessment has proven false. It will now be necessary to refortify those units holding ongoing and routine defense operations, especially on the main traffic routes.

The IDF and the General Security Services must adapt themselves from time to time to the changing face of the intifadah, and react swiftly each time the Palestinian activists change tactics. That seems to be the case this time as well.

The IDF has done so in the past with not inconsiderable success and can apparently also handle the changing situation in the future.

Klugman Report on Acquisitions in East Jerusalem

92AE0671A Tel Aviv HA'ARETZ in Hebrew 16 Sep 92
p B2

[Excerpts from the Klugman Report reported by Nadav Shargay; first three paragraphs are HA'ARETZ introduction; quotation marks as published]

[Excerpts] On 16 August 1992, Justice Minister David Liba'i and Finance Minister 'Avraham Shohat appointed an interministerial team to examine and collect in one place all data relating to houses "leased, rented, or purchased in East Jerusalem for private organizations, associations [nonprofit organizations], or individuals, through use of state funds or any other aid by the state or its agencies." The finance minister instructed the committee to investigate, among other things, the character

of the property rights and the way they were acquired, and the sources and scope of any financial aid; and empowered the members of the commission to call witnesses. It was made clear to the members of the committee that they were not authorized to investigate criminal acts, but that if during the collection of data, they realized there was a basis for believing a criminal act had occurred, they were to inform the government's legal council. The committee was headed by attorney Hayim Klugman, general director of the Justice Ministry, and included Police Ministry general director Ya'aqov Lapidot; Housing Ministry general director 'Arye Bar; Finance Ministry accountant general Eli Yonas; first assistant district attorney of the Jerusalem region, attorney Shim'on Dolan; attorney Yuval Karni-el, council to the Police Minister; and the mayor of Jerusalem's adviser for Arab affairs, 'Amir Heshin.

The committee heard representatives and received information from the following public bodies: the Ministry of Housing; the Israel Land Administration; 'Amidar; the Administrator General's [Office]; the Jewish National Fund (JNF); Himnuta' (a subsidiary company of the JNF); and the Company for Restoration and Development of the Jewish Quarter. In contrast, "the absentee property administrator did not supply any information at all, claiming that the properties in question had been sold to the Development Authority."

Following is the report of the Klugman Commission, with occasional abridgements:

"Let it be clear from the beginning, that the information given the committee shows that financial aid from the state or its agencies was not given for the purpose of acquiring ownership, or of leasing by private organizations. The investments made and aid given were for properties for which the right of protected or unprotected rental had been given, as will be detailed below. Being investigated are 68 properties, in which were invested 23,403,504 new shekels, 15,000,000 old shekels, \$807,000 and 270,000 Jordanian dinars, funds from the state or its agencies for any of the following activities: acquisition; payment of compensation; payment to evicted tenants; payment to brokers; payment to 'project managers,' at rates set for this matter by the minister of housing; attorney's fees; assessor's fees; and 'associated expenses.'

Property rights were acquired for the most part through bidding on property put up for auction by the absentee property administrator; a few cases were Housing Ministry purchases. Transfer of the money for the various activities mentioned above was done through the Housing Ministry; or from a direct budget; or by transferring funds to another body, for example, the administrator general, 'Amidar, or Himnuta'; or by transfer of legacy money that was designated by the Ministerial Committee for Legacies Dedicated to East Jerusalem to be given to the Jewish Quarter Reconstruction and Development Company, for use in the Muslim Quarter.

An additional transfer of aid was carried out with the help of loans for organizations, which were transferred to the associations.

A letter written by the legal council of the Construction and Housing Ministry, mentions that, until 1 April 1992, there were no defined rules for property acquisition in East Jerusalem, and that these were done by the Himnuta' company or the Jewish Quarter company according to the rules customary in these companies. During the commission's deliberations, we were told the Construction and Housing Ministry procedures regarding acquisition of apartments a.p. (acquired properties), and procedures to be followed in cases of eviction, both from 1982, and we were told that these procedures were followed up to 1 April 1992.

An example of the situation that prevailed can be seen in the testimony of Mr. Schwartz, director of the Settlement Branch [to be populated] of the Ministry of Construction and Housing, who told the commission: "There were no set procedures except those for loans for organizations. I was responsible for bringing in population (...) I do not know who dealt with bringing in population. The general director's instructions were to transfer the money to 'Amidar. Loans for organizations were not at my discretion either."

The Organizations That Acquired Property Rights and Were To Bring in the Tenants (The Beneficiaries)

A. From the combined information received from the various bodies that was given before the commission we can conclude that the rights to the properties were for the most part designated for a very limited group of associations, which are closely connected, both with regard to their goals, and to the individuals working for them or acting in their name.

B. As the picture is revealed, we see that the associations, 'Atara Leyoshna, 'Ateret Kohanim (in the Old City), and El'ad, (in Silwan), were the ones that benefited from the lion's share of the properties under discussion.

C. No auction was held to transfer the property rights, and other associations or individuals, whether Jewish or Arab, were prevented from competing to acquire the rights (...) Mr. Ba'gad, who was the person in the Housing Ministry responsible for evictions as well as being a member of the committee that dealt with the subject, told the commission the reasons that auctions were not held (...) but in answer to the commission's questions he replied that the reasons were as he imagined them, and had not been actually written down in any document or decision that had been passed on to him.

It seems that the true explanation for the choice of the associations and [other] beneficiaries of the property rights, and of those who were to live in them is the one Mr. Baba'i of the Israel Land Administration gave the commission: "It was decided at the political level that any property sold to the Israel Lands Administration in the area under discussion would be rented to 'Ateret

Kohanim. Two members of 'Ateret Kohanim were hired to work for the administration locating properties. The method of transfer was authorized by then Minister of Justice Moshe Nisim. It was agreed that the properties would be turned over to 'Ateret Kohanim in return for their renovating the building. The structures were intentionally not rented at the real going rate. In 1982, Me'ir Shamir, then general director of the Israel Lands Administration, set up a special committee to study property acquisition in the old city. The commission worked under the direction of then agriculture minister 'Ariel Sharon. Properties that had been purchased at full price also went directly to 'Ateret Kohanim." (...)

D. The documents submitted to us show that for various properties the associations acquired rights as protected tenants, but they do not mention that the protected rights were paid for (at least with regard to a considerable number of them) by the association funding improvements instead of paying key money, and that actually at least some of the improvements were paid for out of the state budget. The conclusion seems to be that the protected renters did not pay key money in these cases, and thus, are apparently not really protected tenants.

E. The commission was shown statistics for the amount of rent paid for the protected apartments, and the question comes up of whether the rate of rents paid was equivalent to the real rate reflected in the market statistics for protected-rental apartments. According to Mr. Baba'i, the apartments were purposely rented at a rate different from the real rate. On the other hand, Mr. Feld, who spoke for 'Amidar, emphasized that the amounts were determined according to current tables that relate to protected tenants. Nevertheless, a number of contracts were examined that testify that rooms were rented by 'Amidar to the associations for symbolic amounts, of several dozens of shekels a month (in the years 1989-1991). Our impression is that the rental rates in these cases are not equivalent to the market rates. For example: in Khan al-Zayt 5, a two-story building was rented at 33 new shekels, and a four-room building (the "House of Flowers") was rented at 46 new shekels.

How Transactions Were Carried Out, Who Was Involved in Them, and How Property Rights Were Acquired

A. From an examination of the overall process of locating the property, acquiring the rights, funding and transferring the rights to the associations, it becomes clear that the aforementioned associations, or the entities connected with them, were actively involved in the entire process from beginning to end.

B. An examination of the way the rights were acquired strengthens the impression that we are speaking here of transactions planned from the first, beginning with the aforementioned associations locating the properties available for acquisition, and ending with the rights being acquired by those associations, using state funds.

C. In a portion of the properties located, rights were acquired by the associations only after the properties were declared abandoned. These properties were declared abandoned by the absentee property administrator, based on information or affidavit of a person who was brought to the administrator by the associations. The validity of the affidavits was not checked by the administrator. The administrator did not visit the properties, did not examine them, get an estimate of their worth, or find out if families would be evicted, nor did it allow others to file claims or [otherwise] oppose the decision. The properties were declared abandoned, and sold to the Development Authority, which transferred the property rights to the associations through the 'Amidar company. Affidavits were signed before 'Eytan Geva, attorney for the 'Ateret Kohanim association, who also represented and still does represent the Jewish National Fund and the Himnuta' company. (...)

D. The 'Amidar company did not usually go to the site and examine the properties it rented to the associations. The company did not try to validate the physical description of the property, its location, area, number of rooms, etc.—the details needed for determining the proper rental value, or the amount of key money to ask. (...)

E. (1) Minutes of sessions of the Construction and Housing Ministry's Acquisitions Committees reveal that the men who head the associations, Matityahu Hakohen, D. Be'eri, A. Ma'oz, and Me'ir Davidson, regularly participated in the Acquisitions Committee sessions as 'Amidar project managers, and took an active part in them. In these committee sessions, it was decided that the acquisition would be carried out by the Moradot Moriya and Even Rosh companies, which were headed by the project managers who were presenting the acquisition proposals to the committee. In the committees, it was decided that the directors of the companies would carry on negotiations with the owners of the rights and with the tenants in the apartments, would authorize accounts with security companies, and would receive a commission for their work. Thus, for example, the Even Rosh company requested as commission 8.5 percent of the value of a transaction that amounted to more than 1,000,000 new shekels.

(2) It turned out that out of the 500 shares distributed in the Moradot Moriya, Ltd. Company, 499 went to the El'ad association and to its directors, D. Be'eri and A. Ma'oz, mentioned above. In the Even Rosh company, 100 shares went to the directors, among them the Me'ir Davidson mentioned above.

(3) The connection between the associations bringing in the tenants and the companies managing the projects is especially noticeable. An outstanding example of this is reflected in the 6 July 1992 minutes of the Acquisitions Committee of the Ministry of Construction and Housing, where the Moradot Moriya company requested that legal expenses of 548,000 new shekels, which it had paid for putting title into effect for buildings in the City of David, be written off, (and asked) that these expenses

be deducted from the key money they would have to pay to the 'Amidar company. In the commission's opinion, it is possible that in a number of cases the deduction was only theoretical, and that the key money was paid for from the state budget. (...)

(4) Besides authorizing reimbursement for legal costs, the Acquisitions Committee authorized various other expenses for the companies mentioned above, such as funding the cost of maintenance and insurance for 153 communications devices belonging to the Even Rosh company, paying for a land survey, and also authorizing funding for the maintenance of 300 communications devices for the Jewish inhabitants of Silwan and the Old City. (...) [paragraph numbers as published]

(6) The very fact of the regular participation of representatives of the associations in Acquisitions Committee meetings would not jibe with proper administrative procedures, even if they had no special interest in the decisions of the committee. It should be emphasized that the Ministry of Construction and Housing's legal council, and the accountant responsible, were not present at these meetings.

F. The way the associations and project managers were chosen, and the conflict of interests in the examples mentioned, point to the fact that the boundaries between the financial responsibilities of the association bringing in the tenants, the company appointed as project manager by 'Amidar, and the Ministry of Construction and Housing, have become blurred.

State Funding for Associations and Private Institutions .(...)

b. Budget (a.p.) and budget for acquisition of apartments for immigrants and for improving rental conditions: part of the budget for acquisition of properties was based on the paragraph in the (a.p.) budgets, from which monies were also taken for acquiring apartments for immigrants and low-income families. As part of the budget proposal for fiscal year 1992, it was proposed that this paragraph be designated for acquiring (a.p.) apartments for low-income families eligible for welfare housing, and for Ethiopian immigrants. But in Finance Minister Moda'i's letter to the chairman of the Finance Committee, dated 29 December 1991, it was remarked, in the handwritten addendum, that in project 70.68.08, the words "acquisition of apartments (a.p.) for low-income families eligible for welfare housing and Ethiopian immigrants" would be changed to "acquisition of apartments (a.p.)," clearly with the intent of making sure they would be allowed to use the money (a.p.). (...) The impression is created that funds which, according to the explanation of the budget law, were meant to be used for housing immigrants and low-income families, were used for the benefit of associations that did not answer those criteria. (...)

c. Funding of improvements in the properties: the committee received no explanation of why (the associations) needed public funds to carry out improvements to begin with, when these were supposed to be done with the associations' own funds. From a document that was

presented to the committee we see orders for improvements in the years 1990-1991 to the sum of 6.7 million shekels, most of which were actually utilized.

d. The Organization Loans:

1. the Ministry of Construction and Housing provided information about organization loans. The information raises a doubt as to whether there was really a reason to give aid for acquiring rights to the properties under investigation (...) from 1986 through 1989, the 'Ateret Kohanim association received 63 housing loans and the 'Atara Leyoshna association received 12 housing loans, a sum total of 6,363,798 new shekels. The Ministry of Construction and Housing has no information about which property any particular loan was given for.

It becomes clear that in November 1990, the accountant general of the Finance Ministry complained that no properties were registered for the organization loans. The accountant general canceled the loan budget and ordered that loans be given only with the accountant general's authorization. (...) Comparing the properties for which aid was given through organization loans with those appearing in the list of properties improved with funds received from the Housing Ministry, properties appear that enjoyed both sources of funding, like Wittenberg House, Valero House, Photographer's House, the Westerners' House, Galicia House, Elhanan House, Rand House. (...)

Funding Through the 'Jewish Quarter in the Old City Development Company'

According to the government decision of 3 April 1990, it was decided to allocate a sum of 7,500,000 new shekels from legacy money held by the state for the guarding and upkeep of national properties in East Jerusalem through the Himnuta' Company, which would work in consultation with the organizations 'Atara Leyoshna and 'Ateret Kohanim. Of course, the commission has no clear knowledge of who is actually in the apartments or the houses. But according to what has been discovered, whether these were families or whether they were yeshivas or just guards manning the properties in order to establish possession in Silwan or the Muslim Quarter, fitting these "properties" into the boundaries of the definition "national sites and properties in East Jerusalem" is likely to be difficult. (...)

According to a letter from the director of the Department for Funds and Property of the [Jewish] Quarter Company on August 26, 1992, funds were also transferred from the budget of the Ministry of Construction and Housing to the associations through the [Jewish] Quarter Company, the instructions of the Housing Ministry being to transfer the money [directly] to the associations. It should be emphasized that the use of this company as a vehicle for the transfer of funds was apparently done without authorization and in a way liable to be misleading in a case where the properties are outside the borders of the Jewish Quarter. (...)

The Funds Designated for Compensating Tenants Evicted From the Properties

It is not clear if documentation exists that verifies that tenants moved of their own free will or clarifies whether they [actually] received the compensation. The commission was told that the character of the transactions did not allow complete documentation.

Funds for Associated Expenses

The minutes of the 13 January 1992 session of the Acquisitions Committee (of the Housing Ministry) mention that the acquisitions budget planned for the year 1992 totaled 17.6 million new shekels, of which only 5 million was for acquisitions; 7 million was for improvements, and 5.6 million for guards and security. Within the framework of the aforementioned acquisitions budget, (5 million new shekels) estimates were made of the money needed for project management and associated expenses. The character and scope of these expenses were not defined, nor how much was left over for the actual acquisitions. Apparently, project management and associated expenses are meant to include the expenses of the Moradot Moriya and Even Rosh companies and payment of fees for the lawyers hired by them. From Appendix 9, which covers about a year's time, we see that the project manager of Moradot Moriya was paid 813,277 new shekels, and the project manager of Even Rosh, 727,263 new shekels.

The Absentee Property Administrator

a. Most, if not all, of those properties under investigation, which were declared abandoned, were sold by the absentee property administrator to the Development Authority, and rented to the associations as protected rentals.

b. The findings of the state comptroller's report (No.41), insofar as they relate to the absentee property administrator, to the words of the administrator at the session of the Commission for Review of Government Activities, 7 January 1992, to his words before us, and to a selective examination of documents related to a number of the properties under investigation (...), reveal that the functioning of the absentee property administrator was, by any yardstick, unsatisfactory in the extreme. Concerning this, the legal adviser to the government sent a letter to the minister of finance on 2 April 1992, asking that a professional team be appointed that would propose: (1) procedures concerning the character of the evidence that the absentee property administrator should receive before he can declare a property abandoned, and concerning the considerations it must weigh in this type of case; (2) procedures for the way the absentee property administrator should deal with abandoned properties among the properties under his authority and responsibility according to the Abandoned Properties Law of 5710-1950 (referred to below as "the law"); (3) the manner in which the absentee property administrator carries out the responsibilities put in his hands by law;

(4) how to ensure the independence of the absentee property administrator in carrying out his responsibilities according to law.

From the report's summary: the absentee property administrator's performance in the case of these properties being declared abandoned was unsatisfactory in the extreme and in the commission's opinion he did not use even the minimum discretion needed by someone in this position (...) in certain cases the project managers were the ones asked to authorize the expenses. These overlapping responsibilities created, in the commission's opinion, a state of conflicting interests (...) the Housing Ministry acquired apartments with (a.p.) money. In the Finance Ministry's opinion, apartments acquired in such a way are clearly supposed to be for the underprivileged. Renting these apartments to associations seems to the commission to be improper (...) funds that were transferred from the Housing Ministry to the general administrator for repair of the general administrator's buildings, and remained unused, were transferred directly, according to Housing Ministry instructions, to the associations instead of being returned to the Housing Ministry."

[Box]

Equal Criteria

"The need to follow proper procedures still stands, even if we accept the argument that settling East Jerusalem is not the same as settling other regions of the country"; "according to Paragraph 4 of the Law of State Property, 5711-1951, the government is permitted, in the state's name, to acquire properties through purchase, trade, or any other method, to rent them, lease them, or receive other rights to them, all according to terms they deem fitting. According to Paragraph 5 of the same law, the government has authority, in the state's name, to sell properties that are part of state property, or transfer them in another manner, to rent them or lease them, allow their use or utilization, or to award other rights to them, all according to terms that they deem fitting. A "property" for the purpose of this law, includes land.

"Concerning the authority according to the Law of State Property, the government is permitted, through those authorized to represent it and sign in its name, to acquire apartments and afterwards lease, rent, or sell them. The transactions must be done according to the terms that the government "deems fitting." Usually this is interpreted to mean according to market conditions, reasonable business terms, terms according to which the government does not pay an exaggerated price or receive too low a price, although other cases may occur, all according to the purpose of the rental and to government policy...."

"A question we must raise in connection with transactions of the sort we are dealing with here, is that of the criteria according to which they are made. Are they made

according to equal criteria, without unfair discrimination? The need to act according to the criteria of proper procedure, reasonable and equal criteria, without discrimination or favoritism, [body of legal judgments] according to legal judgment, and it is based on proper management. These criteria are absolutely binding, even if we accept the argument that the settling of East Jerusalem is not like settling other areas of the state...." (pages 7, 8, 9 of the report).

Allocation of Funds Through the Ministry of Construction and Housing

Repairs and Evictions	5,418,825 shekels
Aid to Institutions	3,265,130 shekels
	15,000,000 old shekels
Acquisitions	2,330,751 shekels
	807,292 dollars
	270,000 Jordanian dinars
Aid given to institutions for acquisitions	1,810,000 shekels
Bank loans through the 'Ateret Leyoshna association	6,364,392 shekels

Details of Legacy Fund Allocations

'Atara Leyoshna association improvements	800,000 shekels
associated expenses	65,000 shekels
'Ateret Kohanim association improvements	approx. 500,000 shekels
associated expenses	2,000,000 shekels
"Ma'aglei 'Orot association" improvements	650,000 shekels
"El'Ad association improvements	150,000 shekels
associated expenses	50,000 shekels
Total expenses	
23,403,504 shekels	
15,000,000 old shekels	
807,000 dollars	
270,000 Jordanian dinars	

Generals Said To Favor Land for Peace

92AE0653A Tel Aviv YEDI'OT AHARONOT in Hebrew
7 Sep 92 p 23

[Article by General (Reserves) Shlomo Gazit: "What Do the Generals Think About the Territories?"]

[Text] Several days ago, MK [Member of Knesset] Moshe Katzav, on the morning magazine show of the "Voice of Israel," reacted to the statement of the prime minister, who claimed that the strength of the people is not measured by the territories available to it. Within the framework of his grave reservations regarding this statement, MK Katzav also relied on "many scores of IDF

[Israel Defense Forces] generals, and not necessarily from the Likud, who view this declaration by Rabin as grave and infuriating, and whose opinion on this matter is entirely different."

I do not challenge the right of MK Katzav to voice reservations regarding Mr. Rabin's statement; however I regret that, for the purpose of the argument, he relies on the ostensible position of IDF generals. I do not know where Mr. Katzav learned of their opinions, (and I assume that he was not referring to generals on active duty, who are prohibited, in any case, to express political opinions). I do know, however, that to the extent that there is reliable information regarding their positions, it indicates the complete opposite.

Several months ago, the Dahaf company completed a survey that examined, one by one, the political opinions of all of the reserve officers of the IDF from the rank of brigadier general and up. To the best of my knowledge, this is the only comprehensive survey, and certainly the most up-to-date, that currently exists on this matter. Indeed, the survey was not complete. Due to various technical reasons related to the holding of the survey, only about 60 percent of those surveyed answered the questionnaire, but there is no reason to assume that the opinions of the 40 percent of the officers who did not respond to the questionnaire are significantly different than the opinions of the 60 percent who responded. Anyhow, there is no better and more reliable information available.

The survey explicitly examined the degree of willingness of each of the respondents to return territories: "in exchange for a contractual peace agreement and proper security arrangements, would you be willing to return most of the territories of Judaea, Samaria, and the Gaza Strip?" It may be assumed that those who answered this question did not ignore the question of national strength, as well.

Seventeen percent of the respondents answered that they were willing to return the territories without any interim period; 59 percent answered that they were willing to return the territories after an interim period of autonomy. In total, 76 percent of all of the brigadier generals, generals, and major generals in the IDF reserves responded positively to this question.

It is true that the overwhelming majority stipulates that the return of territories must be contingent upon proper security arrangements. This approach should not come as a surprise, inasmuch as who understands the danger to the security of Israel as well as IDF generals.

In response to another question in the survey: what is the degree of danger to security in the return of the territories—39 percent responded that keeping the territories without peace was more dangerous and 32 percent responded that keeping the territories without a peace agreement was much more dangerous. All in all, 71 percent maintain that our presence in the territories is more dangerous for Israel than returning them.

JORDAN

Party Leaders on 'Crises' Caused by New Parties Law

92AE0636D London AL-SHARQ AL-AWSAT in Arabic
29 Aug 92 p 5

[Article from Amman]

[Text] Newly formed Jordanian political parties are facing a real crises that has clearly surfaced during the last period and has dominated the political arena following the ratification of the political parties law in Jordan.

Founders, leaders, and operatives of these parties are conceding the effect of this crises on the whole political parties movement, and especially on leftist, nationalist, and even on some conservative parties. All these parties find themselves facing a difficult test of their seriousness and their ability to prove themselves in the political arena in Jordan. This comes after the removal of the obstacles that those parties had claimed were reasons for preventing their activities and their growth. This is especially true of the nationalist parties that are a clear example of this crises, and of its dimensions and the reasons behind it. But, what is the truth of this crises? And what can be done to overcome it?

Dr. Tariq Kayyali, one of the founders of the Democratic Nationalist movement, told AL-SHARQ AL-AWSAT: "We have to confess in all honesty that the parties law came as a true response to the political powers and intellectual directions that affect the Jordanian political arena. However, it must be noted that it does not only affect existing political powers and parties, but parties such as the nationalist parties who are fragmented and cannot, in their current positions, exert any political power in the Jordanian political arena. Thus the crises facing these parties lies in their fragmentation; on the other hand, in case that these parties join in some form of 'front' at least, it would be difficult in the current period to attain a full merge of the parties."

Dr. Kayyali adds: "Everyone recognizes this fact and recognizes that they would be unable to achieve anything positive towards influencing the people or the political decision as long as the situation stays as it is now. At the same time, we must honestly confess that these powers and parties, especially the nationalists, cannot until now get out from under this party 'shell'. When they talk with movements such as the Arab Cadets [Tali'a] or the many Nasserite factions, and try to achieve some form of unity, they reach complete conviction on the necessity to "gather" all nationalist powers that are derived from the same ideological belief. However, this "conviction" becomes the line that could not be passed, not even by one step, towards implementing this conviction, although we all are convinced of a united national aim and of the necessity of achieving it, not through any illusions about changing the political equation, but

through the hope of achieving a legitimate presence and the effectiveness of such presence on political change."

A leader of another party who declined to give his name said: "The crisis facing nationalist parties and organizations in particular, and other parties and organizations generally, cannot be totally attributed to the "fragmentation" of these parties. This is because I consider the "fragmentation" to be a result rather than a cause. At the same time, the parties are to blame for being very slow, to the extent of being currently at a standstill, in taking any real unification steps even though the political situation dictates moving at a pace at least as quick as the fast occurring events in the Jordanian political arena."

He added: "I do not want to go into the historical reasons and circumstances that led to the disintegration of the nationalist parties and organizations; these have become known. But I question what is our excuse for hesitating to work together under the banner of a unified nationalist aim although we all believe in that aim?"

He continued: "If historical reasons and circumstances are responsible for the disintegration and fragmentation of the nationalists in the Jordanian arena, then the continuation of the disintegration and fragmentation of the nationalist power is totally the responsibility of these powers. However, in my opinion, the problem lies with some nationalist figures who deal with the current situation with the mentality of a guardian or the one and only expert on issues. We can only imagine how the existence of four or five such figures could make it difficult to mold into one party even though all agree on issues, ideas, slogans, and even on the necessity to merge their parties and organizations. When matters reach the phase of practical implementation, one doesn't know how all that is totally forgotten and debates start all over and end where all previous debates have ended."

The same anonymous party leader believes that one of the reasons for the current crises that faces nationalist parties in Jordan is a reason that adds another dimension to the crises. Nationalist powers have strangely interacted with certain "party" powers with ties to Arab regimes that raise nationalist slogans, to the extent that it is difficult to differentiate between the independent powers and the party powers with nationalist slogans tied to Arab countries. This comes at a time when nontied nationalist powers are keen on forging an independent political and intellectual identity with no links to any of those countries, who insist, through their parties' branches in Jordan, on interfering with coordination and unification attempts amongst the nationalist powers who in turn are unable to reach decisions in this matter. All this clouds the future of the nationalist effort in the Jordanian arena.

The danger of the crises facing nationalist parties in Jordan becomes apparent when we take into consideration the accomplishments of the other Jordanian

powers and parties. For example, according to a Jordanian deputy with nationalist ties, the Muslim Brotherhood party and other conservative and official parties are making progress on a daily basis, not only at the political organizational level, but also in convincing people that they are the main political power that reflect the intellectual, ideological and political tendencies of the Jordanian masses. This has a negative effect on the future of the nationalists in the eyes of the public because it provides true competition backed with historical and political factors that tender the nationalists' slogans "old and tired," having given the nation nothing but defeats and disappointments.

It is clear that the extent of the crises facing the nationalist parties in Jordan necessitates that they demonstrate a special awareness of the true situation and any new developments in order to overcome the stress factors of the past and deal with the realities of the current situation with a vision through which they could reestablish their presence in the political arena.

New Approach Urged for Islamic Movement

92AE0636A Amman AL-LIWA' in Arabic
26 Aug 92 p 17

[Editorial by Ibrahim Gharayibah]

[Text] Many Islamic activists are disturbed by criticism, by opinions other than theirs, and even by the objective and proper analysis of events and situations. They consider such activities cause for confusion and strife and claim that it distracts those Islamic movement supporters and backers who paint a clear and bright picture of Islamic work and religious calling in their minds.

Such a belief is based on the assumption that others are ignorant and are incapable of, and unfit to bear, responsibility and deal with the facts. This endangers the Islamic movement and those who work for Islam.

The belief contradicts Koranic methods of commenting on events and dealing with them. It seems as if those people have not read the commentary of the Koran on the Ah'ad invasion as given in Surat Al-Imran: "When a single disaster smites you, although ye smote (your enemies) with one twice as great, do ye say 'Whence is this?' Say (to them): it is from yourselves,.... Until ye flinched and fell to disputing about the order, and disobeyed it after He brought you in sight (of His victory) which ye covet, among you are some that hanker after his world and some that desire the Hereafter." The same also appears in Surat Al-Tawbah and Surat Al-Ahzab and represents honest, clear, and harsh criticism.

This belief reflects the selfishness and snobishness of those who hold it; for they only look out for themselves and do not care about others. How could they continue to support the Islamic movement with the knowledge of such faults and errors?

Exposing the facts to others, and the sharing of ideas and thoughts contributes to maturity, understanding, and responsibility; while shielding them does not mean that people would be unable to find and discover them. For there are many methods to learn facts and information. An observer could know much of what is thought to be secret and hidden information using comparison, deduction, and observation.

When the people discover the deception on their own, their shock would be much greater than if they had known about it using normal methods. They would lose their faith in the Islamic movement and would believe that its path was predetermined by someone's needs and interests in response to certain events, situations, and thoughts; such methods prevent consultation, auditing, and judgment, which would not be possible in this closed, darkened environment. Wrongdoings and corruption would go unnoticed and the rules of Islamic work would be violated.

This philosophy has led to the formation of certain pockets and factions in Islamic work, which have found their special interests in such seclusion, where they are immune from auditing and judgment and are exempt from having to develop themselves in response to the nation's needs and problems.

If these factions were denied that darkness, then perhaps they would lose the reason for their existence and would disappear. Their desires and will have failed to develop and look up to the future; they maintain their negativity that has given them that past, those positions, and interests. Their position has become an absolute belief, which is as stationary as a rock set deep in the mountain through the days, years and physical conditions. To move it would require a great effort; and if it moved, it would roll down the mountain and rest in the deep valley.

It has also led to enmity, hatred, isolation, and the inability to interact with others, and with events and situations.

If those who work for Islam realize the significance of the transformations that have occurred in Jordan, the Islamic World and the world as a whole, then they would realize that the first issue that must be faced is the transformation of Islamic work from secret rituals and programs into a scientific, procedural basis that could be clearly presented to all the people. It would also mean the responsibility reflected by a desire to cooperate, interact and develop in a manner that would make Islam a true and practical option. Otherwise we would be practicing the actual separation of religion from real life.

CBJ Governor on Banks' New Status, Liquidity

92AE0687A London AL-SHARQ AL-AWSAT in Arabic
1 Sep 92 p 12

[Article from Amman bureau: "Jordanian Banks' Record Unexploited Liquidity"]

[Text] Jordanian banks' credit facilities rose to 2.146 million dinars at the end of the first half on the current year, and total deposits amounted to 4.31 million dinars, pushing the rate of credit to total deposits to approximately 50 percent, indicating substantial unexploited financial liquidity. Banking sources said that unexploited liquidity, having reached its highest level, ever had led banks to lower interest on deposits to an annual 6 percent, and to raise them on credits equivalent to half to guarantee reasonable annual profits.

They added: "Restraint from investment expansion may be attributable to causes relating to political conditions in the region. The Jordanian Central Bank's newsletter of this past June mentioned that the general total of the government's domestic debt was 1.043 million dinars, approximately half from the Central Bank and half from local banks. Most of these debts are treasury bills, bonds, and government paper.

They indicated that the volume of foreign currency deposits reached 1.722 million dinars.

On another front, Jordanian Central Bank Governor Dr. Muhammad Sa'id al-Nabulsi announced that he would look into drawing up a new commercial bank law within the next few weeks, whereby the Central Bank would resort to selecting the recipients of licenses for money exchange centers. He said in a television statement that the current banking law is an old one and does not conform to global banking developments. There is a need to draw up a new law so that the Central Bank can monitor Jordanian banking institutions to ensure that problems do not occur in the future and that they can be dealt with before they happen, as is compatible with the safety of depositors' funds.

Dr. Muhammad Sa'id al-Nabulsi added that the government had received about 300 applications to establish money exchange companies, though he indicated that the government would embark upon a method of selection for granting the license, so that the relevant parties could control an existing exchange market on the standards that provide against the recurrence of the past crisis. He said that curbs and conditions had been put into place whereby the companies will be selected to be allowed to practice money exchange.

Dr. al-Nabulsi specified some of these conditions and standards, among them granting [of the licenses] to those who have expertise, and whose past experience went beyond excellent financial conditions, and guaranteeing financial security while it carried out its exchange business.

Ministry Sets New Prices for Some Commodities

92AE0687B Amman AL-DUSTUR in Arabic 24 Aug 92 p 2

[Unattributed article from Amman bureau]

[Text] Minister of Supply Muhammad al-Saqqaf has decided to set the selling prices of the following

commodities for roadside vendors and consumers. Ceylon Red Label tea, 1 kg, 2.08 dinars [vendors] and 2.160 dinars [consumers]; 500 grams, 1.04 dinars and 1.080 dinars; Excellent [brand] Brazilian canned beef, 340 grams, 790 fils and 850 fils; Holland soy oil, 2 liters, 1.795 dinars and 1.925 dinars; soft drinks in 12-pack plastic containers, 1 liter capacity, 6.370 dinars per case and 550 fils for a single container; soft drinks in plastic containers in cases of 24 containers, 250 ml capacity, at 4.170 dinars and 180 fils for a single container.

Stock Market 1991 Annual Report Notes Higher Volume

92AE0687C London AL-SHARQ AL-AWSAT in Arabic 28 Sep 92 p 12

[Article from Amman bureau: "Secondary Bond Market Transactions Show Weakness"]

[Text] Amman Stock Market activity indicators for 1991 recorded remarkable growth compared with 1990. The value of activities in the organized market rose 9.8 percent, and the number of shares offered rose by 16.8 percent, while the price indicator went up 24.3 percent.

The Stock Market's Annual Report, which was published this week, indicated that the value of activity reached 292.4 million dinars, compared with 226.4 million dinars in 1990, with the offering of 156.8 million versus 134.4 million shares.

The report explained that the daily average of the value of activity rose to 1.2 million dinars, an increase of 10.7 percent over 1990. The daily average for the number of shares traded [rose] to 637,000 shares (a rate increase of 17.6 percent). It added that the price indicator had recorded its minimum level on 6 February 1991, falling to 113.8 points due to the effects of the Gulf war. It achieved its highest level on the last day of the year, reaching 147.2 points, an increase of 29.3 percent.

The report said there were 101 companies listed in the organized market at the end of last year, with shares traded in 92 companies, while shares in nine companies were not traded. These were the Bank of Jordan and the Gulf; Irbid Governate Electricity; Dar al-Sha'b for Press, Printing, and Publishing; the Jordanian Company for Tourism and Mineral Water; the Inma' Company for Investment and Financial Facilities; the Jordanian Factories for Sweets and Chocolate; Jordanian Lime and Brick; the Jordanian Industrial Investment Company; and National Quarries.

It explained that the 10 most-traded companies in terms of value made up 46.7 of the total value of shares traded, while the 10 most-traded companies in terms of number of shares offered made up 58.1 percent of shares traded.

The report stated that eight companies listed in the stock market increased their capital by a total of 35.7 million

dinars, through either voluntary reserve capitalization and revolving profits or rated debt capitalization. The Arab Bank's capital was increased from 22 million to 44 million dinars through voluntary reserves and their free distribution of shares on a share-for-share basis. The other companies included the Federation of Truck Owners Company (from 300,000 to 600,000 dinars of revolving profits and their distribution as free shares), the Broadcloth Factories Company (from 1.35 million to 3 million dinars by converting 1.12 million dinars of voluntary reserves and their distribution as free shares at a rate of three-quarters of a share per share), the Jordanian Porcelain Factories Company (from 2 million to 2.5 million dinars by converting 5,000 dinars of voluntary reserves and their distribution as free shares at the rate of one-quarter share per share), the Yarn and Textile Factories (from 4 million to 5 million dinars by converting 1 million dinars of voluntary reserves and their distribution as free shares on a share-for-share basis), and the Holy Lands Insurance Company (from 677,470 to 800,000 dinars, by converting 122,530 dinars of revolving profits and their distribution as free shares at the rate of 0.18 shares per share).

Meanwhile, two companies increased their capital by way of their rated debt, which was worth 10.75 million dinars. These companies are the Jordanian Cement Factories (whose capital was increased from 50 million to 60.44 million dinars) and the Arab Paper Manufacturing and Trading Company (from half a million to 1.1 dinars).

MOROCCO

Crown Prince on Country's Future, His Role

93AF0053A Rabat L'OPINION in French 24 Sep 92
pp 1, 3

[Report on interview with Crown Prince Sidi Mohammed by Colette Porlier of PARIS MATCH, in Paris; date not given: "Interview with His Royal Highness Crown Prince Sidi Mohammed by PARIS MATCH"]

[Text] On Thursday the French weekly PARIS MATCH published an exclusive interview with His Royal Highness Crown Prince Sidi Mohammed in which the prince discussed in particular his childhood, his continuous apprenticeship with His Majesty King Hassan II, his official duties, the future of Morocco, and its role on the international stage.

The interview, conducted by Colette Porlier, is illustrated with several photographs of the crown prince at his residence, in his office, and with the princes and princesses.

The crown prince says in particular that the Moroccan monarchy "is evolving" and that the new Constitution, which resembles the French Constitution, "seems more appropriate for confronting the 21st century."

The crown prince says he learned at a very young age to make "the distinction" between the father and the king. He says: "His Majesty fulfilled his role as a father with great affection. We were never spoiled and overindulged children. He was severe sometimes and—I thank him for it—uncompromising on the subject of a good upbringing, which to his mind was more important than schooling."

Crown Prince Sidi Mohammed says he became initiated into affairs of state at a very young age and remembers that he made his first speech when he was six years old. "I always watched how my father behaved and reacted...although he denies it, he has, for example, an extraordinary gift for improvisation."

"His Majesty King Hassan II has a charisma that is hard to match. It is necessary to work hard—to be raring to go, as they say—but that is rather stimulating. As my father often says to me, style makes the man."

"What strikes me is the extreme loneliness of power. My father always says that when the time comes for major decisions, one is alone."

He emphasizes: "But His Majesty the King has a real passion for his people, and it is in that love that he finds his strength."

Morocco, he says, "is doing its best to reconcile modernity and tradition, and it may be the architect of rapprochement between Africa and the Western countries."

"Our traditions are strong, and that allows us to attune our mentalities to those of the Western World without fear," says the crown prince, who then adds that "we are still a young country in which things and mentalities must evolve slowly and smoothly; that is our way of moving ahead."

His Royal Highness Crown Prince Sidi Mohammed also feels that "religious fundamentalism cannot develop in Morocco. His Majesty the King is a descendant of the Prophet. He is also the guarantor of Islam and of the freedoms of other religions. So our system does not lay itself open to intolerance."

On the subject of unemployment, the crown prince feels that it "will not be reduced in one day, but there are encouraging results." Concerning Moroccan women, "they are in the process of winning their place. They are dynamic, and I have confidence in them," says the crown prince.

SAUDI ARABIA

Banks Said Unable To Absorb Liquidity

92AE0673A London AL-SHARQ AL-AWSAT in Arabic
19 Sep 92 p 9

[Article by Salah Sindi: "Saudi Banks No Longer Capable of Absorbing Major Liquidity"]

[Text] Officials and businessmen in Saudi Arabia say that banking institutions in that country no longer have adequate mechanisms to absorb large amounts of liquidity. Accordingly, it is being reused to finance investment expansion in various local economic activities, which will be agreed upon in accordance with stipulations of the Fifth Development Plan.

In an interview with AL-SHARQ AL-AWSAT, they said that Saudi commercial banks, on the basis of their structure, could not satisfy future financing requirements for investment projects, whose rate of expansion is expected to increase over the next few years.

'Abdallah Dahlan, the secretary general of the Jeddah Chamber of Commerce, said that it was necessary, at this stage of the Saudi economy and from now on, to stimulate development of the local financial structure so that it will be more capable and efficient, either in terms of its ability to amass national savings or to reuse these savings to finance future investment expansions. In this context, he stressed the urgent need to create specialized financial institutions that would provide effective means to direct cash surpluses, particularly to develop local projects.

'Abdallah Dahlan went on to say that the private Saudi investments movement, which arose after the recent Gulf crisis, is considered deeper and more far-reaching than the kingdom witnessed prior to the crisis. Some of the most important indicators of this period's accomplishments are the increased trend toward the formation of large companies that are headed by industrial corporations, the increase in and diversity of Saudi Arabia's trade partners, the significant development in export and import activities, the increase in rate of expansion in investment expenditures on economic projects, and the return, after its outflow during the crisis, of Saudi funds seeking rewarding investment opportunities. This period has been marked by a rise in rate of economic activities in the kingdom, even if the rates differ from one economic sector of the country to another.

Real Estate and Stocks

In this regard, businessman Salim Bugshan said that, after the end of the Gulf crisis, the stock and real estate sectors saw significant activity. After the end of the crisis, real estate prices rose considerably, returning to the levels that prevailed during the days of the first leap at the beginning of the 1980's.

Salim Bugshan attributed this rise in real estate prices to "interruption" of demand throughout the Gulf crisis, which continued for eight months and resulted in considerable loss of investment, either in real estate or elsewhere. Now that the crisis has ended, investors have returned all at once to invest in real estate to compensate for previous stagnation. This has generated a stronger demand than normal and has pushed prices up.

In addition to the significant improvement in local economic performance and the restoration of the climate of confidence, bankers believe that increased dangers

pertaining to investment in world stock markets and the decline of interest rates in most industrial countries have strengthened the attraction of investing locally at the expense of investing abroad.

'Abdallah Dahlan said that Saudi economic growth is expected to show more strength in the future. This direction is supported by many indicators, the most important of which can be summarized as follows:

1. Recent indicators in Saudi Arabia point to the Saudi economy achieving continuous growth rates during the last six months of 1992 and, consequently, continuing the improvement that began to prevail in economic activities in 1991.

2. It is expected that the gross domestic product will have risen during this period, as inflation rates are still expected to be within their marginal limits.

3. Commercial banks have registered better results than last year as a result of the significant rise in the volume of deposits and the equivalent demand for credit. This comes at a time when trade activities and retail sales have generally improved.

4. It is expected that development projects will strengthen economic growth in the kingdom during the next few years. The growth rate should range between 5 and 7.5 percent annually.

5. It is expected that the industrial sector's percentage of contribution to the Gross National Product will rise, benefiting from the major expansion in oil refining projects and petrochemical production, as well as other industrial projects in the planning stage or currently under construction.

6. It is also expected that the hoped-for resurgence in industrial activity will be reflected by Saudi contractors, in anticipation of what evidently will be a constant outpouring of construction and maintenance contracts with regard to activities associated with both the governmental and private sectors.

7. It is expected that an increase will occur in the rate of return of national capital invested abroad, seeking more profitable investment opportunities, inasmuch as the return of this capital has coincided with the rise of stock prices, the improvement of land and real estate prices, and the resurgence of local demand, all of which are considered to be positive indicators of investors and businessmen's enormous confidence in the continuation of improvement in local economic activity.

Oil Production Nears 10 Million Barrels Daily

92AE0673B London AL-SHARQ AL-AWSAT in Arabic
19 Sep 92 p 9

[Article by Riyadh Muqdad: "Oil Production Capacity Close To 10 Million Barrels"]

[Text] Hisham Nazir, the Saudi minister of petroleum and mineral resources, announced that Saudi Arabia's oil production capacity will reach very nearly 10 million barrels per day.

He pointed out that Saudi Arabia is currently studying a number of projects in order to own refinery and distribution installations in various areas, including Europe. This comes within the framework of a policy aimed at achieving integration in the Saudi oil industry and ending the influence of oil price fluctuations in the world market on the country.

The Saudi minister said that the agreement reached by OPEC oil ministers, which requires raising the production ceiling to 24.2 million barrels per day during the last quarter of 1992, is an excellent agreement that will contribute to bolstering prices, in light of expectations that indicate demand for OPEC oil during the last months of this year will fluctuate between 24.2 and 25.7 million barrels daily.

Hisham Nazir confirmed that Saudi Arabia is interested—as are all member states—in improving oil prices, on the condition that this improvement stems from the forces of supply and demand in the marketplace and not from deliberately creating a problem. This has always been Saudi policy, and no change in that policy has been made. In response to a question, Hisham Nazir denied that the OPEC agreement was a weak one. He also denied that there are differences in points of view among the member states that indicate the organization's weakened state. He said that each member has its own policy and proposals. Differences in viewpoints are natural, as is the case in international organizations. However, in the end, a settlement is reached that satisfies all parties.

Hisham Nazir said that the present agreement did not include setting production levels for member states, because many states, in fact, produce at full capacity. Moreover, demand for OPEC oil will rise significantly during the winter season, which will lessen the need to define individual production levels.

The Saudi oil minister stated that the possibility of returning to defined production levels for member states would depend on the development of market demand and its ratio to production capacity, so as to guarantee maintenance of market stability.

On the other hand, Kuwaiti Minister of Oil Hamud al-Ruqbah expects his country's oil production to increase during the last quarter of 1992 to 1.45 million barrels per day, including 200,000 barrels from the Neutral Zone. He said that Kuwait's production has been increasing at a rate of 70,000 barrels per month, except for this September, which has had a larger increase because three collection stations began operating again.

Railroad Promotes Door-To-Door Service

92AE0670A Jeddah 'UKAZ in Arabic 13 Sep 92 p 15

[Article: "Kingdom Applies Most Modern, Integrated Transportation Systems"]

[Text] Because development in the international transportation industry is marked by constant dynamism, land transports and railway lines have become capable of dealing with livestock, which had been shipped by sea because of their large size and shape. It has now become possible to offer door-to-door transportation services, i.e., multi-means transportation.

At first glance, multi-means transportation appears considerably smaller in size than its true importance. However, closer examination reveals its maximum importance and profound impact on the economics of shipping operations, or rather, on maritime companies' ability to stay in a competitive position in the international shipping market. This kind of transportation facilitates supplying the world's industrial companies with raw materials within a specific time frame with advance planning. It also gives distribution companies an opportunity to obtain imported goods by sea within a specific time frame. This enables them to steer clear of commodity storage, increase their capital circulation, and considerably reduce storage costs. It also provides the exporter and importer with a series of actions and contracts, during the change of transport method from sea to land to air, or reverse. It also spells out the commitments that the agents for the receipt and delivery of goods during the trip. That means that it will become necessary for shippers, importers, and exporters to change to contractors of multi-means transportation. Consequently, maritime, air, and land shipping companies will have to change contractors in the interests of the multi-means transportation entrepreneur.

Saudi Railway Network Uses Door-To-Door Transportation Method

'UKAZ met with Professor Faysal al-Shuhayl, chairman of the Public Railroad Authority, and Engineer Ahmad Yusuf al-Turki, undersecretary of the Ministry of Communications for transportation affairs, to talk about the kingdom and integrated transportation.

Role of the Railroad

Professor Faysal al-Shuhayl, chairman of the Public Railroad Authority in Saudi Arabia, confirmed that integrated door-to-door transportation is presently in force on the current railroad network, since livestock received in the port of Dammam is off-loaded from ships onto railroad cars and shipped directly to Riyadh.

He told 'UKAZ that these goods are cleared through customs there under the supervision of the Railroad Authority Dry Port Agency. After clearing customs, the livestock is shipped on Railroad Authority-owned trucks to commercial warehouses in Riyadh. When the railroad network is expanded to Jiddah and Yanbu' in the

western region, a dry port could be established in both Mecca and Medina, in order to provide similar services (door-to-door).

The Saudi Public Railroad Authority has proposed constructing a railway network of 3,878 km, at an estimated cost of 22 billion Saudi riyals, to connect most of the population centers in various parts of the kingdom. This would serve the principal cities of al-Jubayl, Dammam, Riyadh, Medina, Jiddah, Mecca, al-Ta'if, Yanbu', Buraydah, Ha'il, and Tabuk. A study has been prepared by the German consulting firm Kochs, along with another study by a group of international consulting firms under the direction of the Ministry of Planning, the UN Development Program, and the International Bank for Construction and Development.

Professor Faysal al-Shuhayl added that Saudi Arabia wants to build a railroad from Dammam to al-Jubayl, in order to serve the industrial complex in al-Jubayl. The expected volume to be shipped is estimated at 19.8 million tons annually.

A railway network will also be constructed to serve the northern region. The following estimated amounts are expected to be shipped:

- Crude bauxite from al-Zubayrah to al-Jubayl, 4 million tons annually
- Crude phosphates from al-Jalamayn to al-Jubayl, 6 million tons annually
- Iron ore from Wadi al-Suwawayn to al-Jubayl, 6 million tons annually
- Agricultural products from the northern region to the central and eastern regions, 6 million tons annually
- Petroleum products from the eastern province to the northern region and al-Qasim, 4 million tons
- Completion of the aforementioned networks to connect Riyadh with the most important cities of the western region, Jiddah, Mecca, Medina, and the port of Yanbu', and then connect them with the northern region by way of al-Qasim
- Connect this integrated network with Jordan and Syria to the northwest and Kuwait to the northeast
- The kingdom's railroad plays no small part in the multi-means transportation system, inasmuch as it ships livestock from the port of Dammam to the dry port in Riyadh, where it is cleared through customs and delivered to merchants from the dry port or transports them to warehouses in Riyadh in Railroad Authority-owned trucks. The volume of these shipments range between 40,000 and 45,000 animals (20 TEU-feet) annually
- Petroleum products (gasoline and diesel) from the Saudi Maritime Company Limited storage facilities in al-Zahran to the company's stations in al-Hafuf and al-Kharj. These shipments will total about 200,000 tons per year
- Locally-produced grain (most importantly, wheat) from grain silos in Riyadh and al-Kharj to silos in the port of Dammam, and shipments of imported grain (sorghum and barley) from Dammam to al-Kharj and Riyadh. Total amounts are about 400,000 tons

- Loose cement from the cement factory near Buqayq to distribution zones located beside the railroad line in Riyadh, totaling 300,000 tons
- Chemical fertilizers from the Saudi Arabian Fertilizers Company (SAFCO) plant on the outskirts of Dammam. Part of that plant's production goes to the port of Dammam for export, while another part goes to al-Kharj and Riyadh for domestic consumption. These shipments total 200,000 tons
- A variety of other goods is transported from the port of Dammam to Riyadh, totalling 100,000 tons per year. All of these shipments are considered door-to-door, since they begin in the port of Dammam or from the production source and end at commercial centers, i.e., merchants' warehouses or distribution centers for consumers.

Therefore, the kingdom will have begun its first steps toward dealing with this kind of transportation. Saudi Arabia is noted for its vast spaces and excellent geographic location, and its coasts extending along the Red Sea and the Arabian Gulf. It has many commercial and industrial ports furnished with the most modern equipment for handling all types of ships and cargoes. There is a modern network of highways connecting the ports to all cities in all areas of the kingdom. A dry port has been established in Riyadh, which is connected with the port of Dammam, located on the Arabian Gulf, by direct railroad line, through which most of the goods of the kingdom's central region and neighboring areas are shipped to Riyadh's dry port. In this dry port, all customs, health, and other activities can be conducted, and the goods separated and distributed.

All these elements and features make the service of multi-means transportation a vital and important activity for the kingdom, on the domestic, regional, and international levels, since this activity serves the goals of domestic and foreign trade.

SUDAN

President al-Bashir Interviewed in Amman

93AF0031A Amman AL-RIBAT in Arabic 1 Sep 92 p 10

[Interview of General Al-Bashir by AL-RIBAT in Sudan; date not given: "General Bashir to AL-RIBAT: Blockading Sudan Is Because of Direction Towards Islam"]

[Text] When you are in the Sudan, you are in the vicinity of martyrdom, jihad, and sacrifice. If you are disturbed by the hot weather, it is very heartening to notice the rhythm of life that starts to spread in this country as if it were being born again. After the victories of the Sudanese Army and the forces of public defense in Tureit, the last stronghold of the separatists, and after the recovery of Dr. Hassan al-Turabi, our editor in chief was on a visit to the Sudan where he had this interview with the Sudanese President General 'Umar Al-Bashir.

[AL-RIBAT] Mr. President, it is an honor to meet you. We would like to tell you that the Jordanian people are very proud of you and your achievements in the Sudan and of the Sudanese leadership, victories, and its Islamic trends. We would like to know what comes next? And what are the trends after your achievements?

[al-Bashir] In spite of the victory that we achieved and the end of the rebellion, we are fighting and negotiating with bandits that managed once to control a vast amount of land including cities and govern rates, (the separatists were behaving as if they were a state), their attitude towards war changed from a guerilla warfare to traditional war and traditional weapons, (the true victory is to make this movement once more a group of bandits), their forces were shattered and their leadership was separated and there is currently division and competition within the leadership. Previously, nobody was able to leave this movement but now its being criticized from within and is currently located in areas where it does not have control nor popular support. Subsequently we could knock them out and force them to negotiate.

[AL-RIBAT] Would the negotiations continue?

[al-Bashir] The line of negotiations will continue. There is a political problem that was created by the colonization because it was able to create some psychological barrier between the north and the south hoping to achieve some missionary hopes. This pressured the government to reoccupy the Sudan, after they thought that they left it. Before the al-Mehdi revolution we were nominally under Egyptian rule but in fact we were under British rule. The governor general of 'Um Durman was a British general and most of the rulers were not Sudanese and non-Muslims. The missionary activities were very strong hoping to convert the Sudan to Christianity. When these activities failed they decided to separate the South in order to put a stop to the Islamic tide. They created a buffer zone about 10 km wide and prohibited anybody from entering the cities and villages of the area. They deported all of the northern merchants, banned Arabic names and forced the change of the Arabic names. They also banned Sudanese national dress and the Arabic language and entrusted education to the churches and the government allocated budgets to the churches. This policy continued until the end of the 1940's. They instigated the people against the Arabs and the Muslims and labelled the Arabs as slave merchants, therefore, creating a psychological barrier and instilled hatred to the Northerners. That's why we say we have to sit down and negotiate.

[AL-RIBAT] There is a fact that may be undeclared, which is the blockade of the Sudan. Are there elements that support this blockade?

[al-Bashir] The problem is what are the reasons for the blockade, (the reason is the Islamic trend), when you sit down with the Egyptian official and talk about the bilateral relations you find that they talk about the

relation with the Islamic front and the moral and financial support to the Islamic movement. The distance between us and them is very small. The Egyptians feel that their lives are in danger and the Saudis feel that their regime is in danger. We did not create this situation and we felt this hostility even before the Gulf crisis, actually since June 30, 1990 from Egypt, Saudi Arabia, and the European countries after they discussed the Islamic trend in the Sudan.

[AL-RIBAT] Sudan played a role in rejecting the creation of a military power for the Organization of African Unity to settle problems in the continent. Why did you reject this trend?

[al-Bashir] This trend is a very dangerous one and it is a means of the new world order and the domination of the West over the African countries by means of force. There is not one African country that does not have problems. But where would they interfere to solve the domestic disputes. This violates the state's sovereignty. They wanted to do something similar to what happened in northern Iraq. They aimed to interfere to solve the domestic disputes, which are fueled by other African countries. These countries that claim that they want to settle the disputes are the ones that created them. As for the claims of protecting stability and democracy, these propaganda is just mere lies trying to hide the most dangerous aspect of who is going to finance this military force. It was said that the force was going to be financed by individuals and organizations. This military force will implement the decisions of the country that financed it and many African countries were deceived by these slogans and they need stability and development. This is another face of colonization.

[AL-RIBAT] Was the Sudan the only country that opposed such an action?

[al-Bashir] In fact we led the opposition and after we voiced our reservations many countries found them acceptable and each country supported an important aspect of our reservation so that we had a general reservation.

[AL-RIBAT] What about the political regime in the Sudan? In fact we tried to go beyond all the previous repetitive political systems in the Sudan that prevailed before the independence. We had a Western policy or rather a British one that included political parties and a multiparty system that followed the British system. The Sudanese people were listening to very attractive slogans and they started experiencing where enthusiasm for independence overshadowed all the shortcomings of the multiparty system. After independence, the disputes, the disagreements, and the ambitions surfaced. And the Sudanese people were divided according to their religious sects. After the formation of the main parties, the disagreements among some of the leadership coincided with some ethnic and tribal movements and the parties started disintegrating into smaller parties; hence, the democratic experience failed in the first period. We then

had military rule and in spite of its achievement in the fields of development and stability, it was not able to mobilize the people to it, so it was acting isolated from the people and the projects that the military rule were developing were against the rule of the public and therefore the military rule fell. After that, we al-Numeiri took power and started the experiment of the Socialist party, which failed at the end. Then came another revolution and the multiparty system for a second time and failed. We wanted to break the vicious circle of the multiparty system and military rule. We wanted a system that would encompass everybody and that would not divide them according to sex, color, or ethnic origin. We wanted an actual and true participation so that everybody would have a role to play in managing the affairs of the country. The system followed the policy of the conferences and the direct democracy, which is very similar to our customs and traditions. It is our habit whenever there is a problem in a village that representatives of each party would sit together to settle the matter calmly. Subsequently, we had our conferences to discuss the affairs of the participants, which resulted in recommendations, about which the least we could say is that they increased awareness while they were discussing the domestic and national affairs. At the end they would chose a committee to manage their affairs and they would also chose their representatives in the national conference. We found that this system would enable us to include the broad base of the people so that they would become true partners in government. We also found that the conflict in the past was between the modern powers and the traditional powers. We also had the trade unions and the associations and there was a continuous conflict between the government and the modern powers and between the government and the trade unions. So we decided to include all the trade unions in the system so that they will actively participate. We have four conferences: one for the economic sector, which includes all the trade unions in the economic sector; and we also have the social conference, which includes all the trade unions in the sector; and we also have a conference for the women; and one for the youth and the students. As for the national level, we have eight conferences in addition to those that we have already mentioned because we have the conference of defense and security, which includes the armed forces; the police and the security department; and there is also the judicial conference, which includes the judges and the lawyers. We have the diplomatic conference and the administrative conference, which includes the administrators in all the ministries. We can find out that all the sectors are represented within this political system that leads to the national council in its present form, which will be the legislative and the controlling power in our system of government.

[AL-RIBAT] What about the opposition abroad in European countries such as Britain and France and also the radio?

[al-Bashir] We call this opposition the opposition of the hotels as they are groups of people living in hotels and

financed by hostile parties. In fact, we can say that there is no true opposition. We have opposition parties that are al-'Umma and the Communist Party, which are the main opposition parties. The leader of the al-'Umma party, al-Mehdi, lives in the Sudan and moves freely and thanks God that the leaders of the opposition are rejected by the people.

[AL-RIBAT] Mr. President, this led us to the general amnesty that you mentioned in the address of the revolution. Is this amnesty related to the army or is it a general one?

[al-Bashir] It is a general amnesty that includes everyone. There are some people who have been misinformed while they were abroad during the year of demonstrations and famine. Some even say that there is a list of names of people that are going to be arrested as soon as they come back. That's why there are some people who are afraid to come back while we have nothing against them. This amnesty is for the general public but not for the leadership.

[AL-RIBAT] Mr. President, the calm in the military front would help reconstruction and development. This led us to talk about the 10-year plan.

[al-Bashir] Thank God, Sudan has many resources and we have everything that we need for development. In the agricultural field we have vast amounts of land out of which we use 10%. Water is available and the land is fertile so that we can be self-sufficient and also export. Food is a very marketable commodity now. As for industry, we are going to concentrate on agriculture industries. Our main concern is building roads and airplanes and generating energy. We would like to produce all of our needs for oil and also to export. During the next 10 years we would have completed our infrastructure but we need to build roads because roads will help the dissemination of development, otherwise development will be restricted to the areas where roads are available. These roads will have to be across all parts of Sudan so that development can reach everybody. And we could have balanced development. We have many projects in the field of petroleum such as manufacturing heavy fuel that is used in generating electricity so that we can change the lifestyle in the countryside where people depend on natural grazing that depends heavily on the rainy season. So we lose a very large amount of our livestock. We would like to change the lifestyle in the countryside to the natural grazing land to fixed grazing lands so that we can put it to a better use.

[AL-RIBAT] How about relations with Jordan? How are they and how would you like them to be?

[al-Bashir] We feel that our brothers in Jordan are the closest to us. I would like to give you one example. Whenever I go anywhere I get a telephone call from Jordanian Radio asking for an interview. The relationship between Sudan and Jordan is a relationship between people and it is a very deep one. When we look at Jordanian positions towards Arab and Islamic issues we

find that they were the first to know [about] the blockade. We currently feel the effects of the blockade because very few of our ships are allowed into al-'Aqaba port. There are some restrictions on the commercial activities between Sudan and Jordan by hindering Sudanese ships. [AL-RIBAT] What would you, Mr. President, say to those who have been deported from Kuwait.

[al-Bashir] We would like Sudan to be the place to where people migrate. We do not recognize these political borders.

[AL-RIBAT] Some Arab politicians welcomed the fact that Rabin replaced Shamir in the Zionist occupation of Palestine. What is your comment?

[al-Bashir] The enemy is the same even if the personalities, names, and trends change. We refuse aggression in all its forms and colors.

[AL-RIBAT] In the end we would like to thank you for your time and the information you have given us.

REPUBLIC OF YEMEN

Official on Parties, Opposition, Laws, Terrorism

92AE0649A London AL-SHARQ AL-AWSAT in Arabic
9 Sep 92 p 2

[Interview with Yemeni chamber of deputies speaker, Dr. Yasin Sa'id Ni'man, by Hammud Munsir in Sanaa—date not given]

[Text] When the united Yemeni state was established on 23 May 1990, Dr. Yasin Sa'id Ni'man was prime minister of the southern part and a member of the Presidium of the People's Supreme Council (parliament) since February 1986. Prior to that he was minister of planning in 1981 and 1982 and later minister of fisheries in 1982 [date as published], until he was elected prime minister four years later. What probably qualified him to head the government was his election as deputy prime minister in 1985.

This background throws light on the challenges Dr. Ni'man, as speaker of the Yemeni Chamber of Deputies after the unity, is facing and on the responsibility for drafting new laws that would replace the laws that were in force in both parts of Yemen. This is taking place in an atmosphere of political openness and pluralism and the emergence of new political elements in the political formula, including the traditional elements. All this has led to the intensification of struggle against remnants of the past on the path of Yemen's march toward the future.

In this exclusive interview, which AL-SHARQ AL-AWSAT had with the Yemeni speaker, following the bombing of his house in Sanaa in the midst of the current conflict between the regime that is trying to impose its authority and stabilize the situation, and groups of outlaws who are working to undermine and to exacerbate

the security situation, Dr. Ni'man spoke about his personal role, the parliamentary experiment following the unity, the general political atmosphere, whose most important characteristic is its fluctuation between accord and discord between the two ruling organizations in Yemen—the General People's Congress [GPC] and the Yemeni Socialist Party [YSP] The following is the text of the interview:

[AL-SHARQ AL-AWSAT] Following the establishment of unity, the Yemeni parliamentary experiment witnessed a qualitative change in comparison with the situation that existed in both parts of Yemen. On what basis did you establish your leadership of this experiment from the first moment?

[Ni'man] The parliamentary experiment was in fact linked to the establishment of unity and democratic option. The public path the parliamentary experiment pursued has probably given it a special character in terms of directly communicating information to the public through direct debate and dialogue in discussing the issues put before the Chamber. In my estimate working openly played a major role in distinguishing this experiment.

I do not think that the Yemeni parliamentary experiment was associated with any particular individual. It acquired its general features and distinguished character from what I have just mentioned, that is the adoption of the democratic option and the people's exercise of this option in political action, in journalism, or in any of the various fields that are associated with the establishment of Yemeni unity.

[AL-SHARQ AL-AWSAT] But apparently the Yemeni public supports you in your leadership of the parliamentary establishment, particularly during steering the meetings and debates. What is taking place in the Chamber hall is probably due to the nature of the present structure of the Chamber of Deputies, which basically consists of the People's Supreme Council in Aden and the former Consultative Council in Sanaa, plus the additions that were made following the unity in light of the relations between the parliament, the cabinet, and the presidency. What is your opinion on this?

[Ni'man] The Chamber is considered to be a school for the education of many people, whether these were Chamber members or members of its presidium. I personally have acquired a tremendous experience in this work, which is characterized by its great significance, whether in political or parliamentary action. I can say that, as far as I am concerned, many aspects of our work were a tough personal experience for me.

[AL-SHARQ AL-AWSAT] During the transitional period the Chamber of Deputies shouldered many important tasks. What were the difficulties you faced?

[Ni'man] This is an important question. Looking at it from the aspect of legislating for the state of unity, it was not an easy task. Legislation is based on an important

national and historic consensus. Discussion of legislation began from scratch, whether of legislations that lay the grounds for the establishment of the state, including putting the government regime in its right legislative context, and the detailed law pertaining to the economic principles contained in the constitution, and how to translate those into detailed legislations, or with regard to the judiciary or various aspects. [sentence as published]

I can say that the Chamber of Deputies, as it is undertaking this legislative task, exerted great and splendid effort, despite all the criticism the public directs at the Chamber's prolonged debates shown on television daily. It was an exhaustive work. Often there is some contradiction between the bills submitted by the government and Chamber of Deputies' views. But these differences were not basic because the final arbiter between the government and the Chamber of Deputies is the constitution.

At this moment, where the Chamber of Deputies and the Presidential Council are concerned, there is one or two outstanding legislations that the Presidential Council forwarded to the Chamber of deputies. This means that the basis that we adopted, namely the constitution, has been agreed upon. Therefore, the legislation, in its general form, responds to such general and national consensus on which the state of unity was established. Thus I can say that with this legislative basis and structure completed so far, we have laid the fundamentals of the state of unity.

[AL-SHARQ AL-AWSAT] In addition to legislating, the Chamber of Deputies has been assigned the task of control. During the past period has the Chamber given control the same amount of attention it has given legislation?

[Ni'man] In fact, the Chamber has given primary importance to the legislative task, for it cannot exercise control without legislation. When you control any ministry or any activity you must control such activity according to the legislation governing it.

Therefore, how can we control when the country was not governed by a unified legislation?

Legislation that continued to exist in the south after the unity, continued to govern the economic activities or part of them in the south, and the legislations that governed economic activity in the north continued to govern part of the economic activity in the north. Therefore, we should first unify the legislations and complete the legislative structure. The Chamber took the right step in this regard, despite the allegation that the Chamber has not been practicing its control functions. The legislative task in my view comes before control functions at this stage. Still, the Chamber did carry out some of control functions here and there through the work of various committees that submit continuous reports to the Chamber for discussion. But the question remains: What effect has control on the Chamber's relations with

the government? We have realized the difficulties the government is facing at this stage and, therefore, we have been trying to play the role of supporting the government and not opposing it.

[AL-SHARQ AL-AWSAT] The Presidential Council issued many laws before they were debated. It issued a total of 52 presidential laws by decree. Was this because of some political process, or due to some time factor, or what?

[Ni'man] By issuing some laws by decree during the Chamber of Deputies' recess—especially during the month of Ramadan—the Presidential Council was exercising its constitutional power. Such decrees were issued for reasons relating to government activity, for the lack of some legislation, or the expiry of some particularly important agreements [that need to be renewed].

The government did request issuing legislations by the Presidential Council. Consideration has been given to the importance of the legislations to be issued for the purpose of implementing some plans put before the government. After these legislations are issued or decreed by law they are put before the Chamber of Deputies. If it endorses them, then they become a law, and if it does not all the effects consequent upon them since they were issued will be voided. So the decisions by decree issued by the Presidential Council were discussed by the Chamber, which approved some and rejected others.

[AL-SHARQ AL-AWSAT] Certain laws that were discussed by the Chamber of Deputies in the past period generated political debate both inside and outside the Chamber, as well as nationwide. These included the press law, the elections law, and, more recently, the education law that aroused a political controversy that developed into demonstrations, war of statements, and press debate. The observers then expected confrontation to break out between the reform group on one hand and the socialist and the right groups on the other. How far political tactics affect legislation or legislative forms?

[Ni'man] I would understand political debate on certain laws, such as the press law, the parties law, and the elections law. But I do not understand political debate on the education law. The press law is a reality linked to democracy or to one of the democratic elements in the political life. The parties law organizes the establishment of parties and, therefore, it is necessary in this case that it be the subject of wide political debate. The same thing can be said about the elections law that concerns democratic practice.

But the education law is supposed to be discussed from a different angle, that is the educational angle that would ensure the unity of this generation. But there are those people who want to take this subject out of its educational context by fabricating problems relating to the establishment of certain educational "formations" [tak-winat] with a political curricula.

Some people viewed the matter from this angle. But the Chamber of Deputies insisted on a detailed debate of the law, after it was the subject of a wide debate at the Chamber's committee on education and on higher education that lasted one year. This was an educational debate, which the two committees conducted with the various organs in the university and elsewhere. Finally, the law was put before the Chamber. There are certain differences over it. But it was the Chamber's right to ask the committee, since certain subjects have not been agreed upon, to discuss it directly within the Chamber's framework, which was what has actually happened.

Thank God we can say that we have accomplished this law and so our conscience is at ease. It is realized that the unity of the nation can be achieved solely by unifying the sources of learning and education and the upbringing of the new generation.

[AL-SHARQ AL-AWSAT] There has been some criticism in the press regarding the manner with which the bill or...

[Ni'man] [interrupting] We have heard and read just as you heard and read about this matter. Referring matters to the constitution or to the judiciary is a good civilized behavior. But, unfortunately, alongside this civilized phenomenon, there are other phenomena that society, religion, science, and ethics reject, such as accusing people of infidelity, calling for jihad against supporters of the law, characterizing the law as a "foundling law," and accusing the Chamber of Deputies in a language that has disappeared from the streets, but that some people have revived. One cannot understand how can people talk about the law and, at the same time, practice such methods that violate public order and public morals.

But I would like to stress that with respect to the law, as far as procedures are concerned, we have been anxious to maintain its constitutionality, legality, and integrity, particularly with regard to voting on it. Voting was carried out in accordance with the Chamber's statute and the constitution, and with no fault. We have been anxious to ensure that this procedure is followed in the matter of this law in particular.

So far we have received nothing officially; all that we hear is talk. We would like to assert that the accusation is baseless.

[AL-SHARQ AL-AWSAT] It is noted that the laws that have been the subject of controversy have not been implemented or some of them have been reviewed and amended shortly after the enactment of the election law. I believe that the political factor was greatly influential in this case, which has forced the legislative body to go back on certain legislative rules it has set up.

[Ni'man] [interrupting] Revising one of the articles of the election laws was based on the public discussions with the parties, when the parties saw that it is necessary for everybody to participate in the higher committee on elections. We have been anxious to create such national

reconciliation. We have set up the first election committee in Yemen in which all the parties were represented. You have seen the original text of the law, which limits the committee membership to five to seven people. It stipulates that the duration of the committee is four years and that it should not include any (ruling) party members.

We in the Chamber of Deputies look at the coming elections as the first step and, therefore, national conciliation should prevail. The elections should be honest and everybody should participate in them. This was based on the dialogue with the presidium of the Chamber of Deputies held with all the political parties in plenary meetings.

At the recent meeting we came to the conclusion that the elections committee can be formed from party representatives, and that it can be exempted from the stipulations contained in the original law on transitional rule. I believe that this is something natural, that this matter be dealt with in a legal manner and that it is not placed above the law. For this reason the Chamber amended the article on transitional rule so as to apply only once to the formation of this committee.

[AL-SHARQ AL-AWSAT] You pointed out that the press law and the parties law essentially depend on exercising democracy in a direct manner. But it is noted that so far this has not been implemented. Is it because of the press publications in Yemen [not further clarified], the structure of parties and their performance, in addition to the suspension of the parties committee. Don't you think that this situation creates a major problem for political action, the freedom of the press, and the future of democracy in Yemen?

[Ni'man] The proclamation [of the establishment] of parties became a fait accompli before the law on parties was issued. This is based on the constitutional provision that says that the people have a right to organize themselves in professional, political, and other organizations. Probably the people's great desire to practice democratic political action could not wait until the law is issued and its implementation begins. But as soon as the parties were proclaimed, they began putting up their signs in their various offices and locations. They also began printing various publications and newspapers. It appears that a certain belief prevailed to the effect that there is no need for the law. In addition to the fact that the committee that has been charged with implementing the law, registering the parties, and so on did not begin working so far, despite the fact that it took the constitutional oath. In fact it was supposed to begin its work soon after taking the oath.

This is an important and serious matter. We now have two options, which are either to complete the procedural laws, or abolish the law. Either there is a law, which at the same time is being suspended because of the committee work, or we select a few articles from the law and apply them to our political life and leave the rest of it.

This seems to be a real problem. Therefore, I personally believed and still believe that as long as the law has been issued and that the committee has taken the constitutional oath, it should carry out its work in accordance with the law. In this case it should begin its work and begin implementing the law. Keeping the law suspended is wrong.

[AL-SHARQ AL-AWSAT] But it was rumored recently that the chairman of the committee on parties has resigned his post.

[Ni'man] I personally don't know. Maybe you have read in some papers that he has resigned. But, first of all, as a minister of state for parliamentary affairs he cannot resign the committee chairmanship. Also, the minister of state for parliamentary affairs is appointed committee chairman in accordance with the law regardless of who he is.

The committee also includes three persons appointed by position and not by name. The remaining four are considered independent and are appointed from among the judiciary.

[AL-SHARQ AL-AWSAT] Being the legislative authority, isn't the Chamber of Deputies responsible for following up the implementation or otherwise of certain laws, like the parties law, for example?

[Ni'man] The Chamber of Deputies is certainly partly responsible for following up matters. But this law [on parties] in particular and this committee are of special character. This committee was established by law and was sworn in before the presidium and, therefore, the Chamber of Deputies cannot bring it to account. It does not fall within the government's framework nor is it part of the executive authority because it has an independent mission. The government is not even responsible for implementing the parties law; the one responsible is the committee that has been given full powers. The committee does not come under the presidium; it only takes the oath before it and is independent in exercising its tasks.

[AL-SHARQ AL-AWSAT] Do you then believe that a two-year experiment in public parliamentary action that is open to the society has established certain parliamentary traditions that can be preserved?

[Ni'man] Most certainly. We believe we did so during two and a half years, regardless of the level of our action and of the performance of this parliament that bore the responsibility of the first stage of forming parliamentary life in Yemen. There is no doubt that certain good traditions have been established in the parliamentary life, through the work regulations the Chamber followed, through its statutes, and through the regulations it approved on purely parliamentary issues. We have published several booklets on this matter. This is in addition to the creation of awareness of the parliamentary experiment.

I feel that this has led to the acceptance of parliamentary action among the people in general and in the political and social life in particular. The thing which, in my estimate, needs great care in the future is the relations between parliament and government. Perhaps the present experiment will not enable us to achieve this because of the lack of parliamentary division between opposition blocs and progovernment blocs. This is one of the things that haven't been realized so far because of the parliament's structure and of the political situation in general. For example, you would find a man today supporting a government resolution and then opposing it the next day, and you would find one opposing the government siding with it today and standing against it the next day.

[AL-SHARQ AL-AWSAT] Which means that there is disturbance in the Yemeni political life.

[Ni'man] No, there is no disturbance, either intellectual or political. But in fact it is a kind of lack of clear division between parliamentary groups that represent the government, that are part of the executive authority, and the parliamentary opposition blocs. This is due to lack of clarity, not only in parliament, but also in the political situation in general, and even within the government's framework itself. Therefore, no differences have yet emerged between the ruling party or parties during the elections and their representatives in parliament.

[AL-SHARQ AL-AWSAT] This leads us to a question regarding the government and opposition in Yemen in light of the complex political and social structure. In your opinion what are the methods that would ensure building a civilized society founded on a democratic regime in which the government forces would be different from the opposition forces.

[Ni'man] Building a modern civilized society cannot be only a political term, or separate from economic and social development that is supposed to prevail in society, especially economic development that would integrate the society, bring many communities out of their isolation. Then comes the legislations and laws that would express this reality that will develop in this or that direction.

The establishment of political parties today is considered to be a way of expressing the modern civilized society, replacing the old social expressions that categorized societies and placed them in rigid frameworks like those our society has now emerged from. The people no longer live in isolation. This is not just a mere wish, nor do I expect it to be just a proclaimed goal or ambition. The mere development of the economic reality and of the various means of communications and life, binds the societies together. At the same time they become linked to the development of the economic and social structure.

Therefore, I believe that, since as our goal is economic and social development, the Yemeni people, whether we

like it or not, will reach a developed stage. No contradiction is likely to emerge unless the goal of economic and social development is obstructed or suspended, for this is the objective condition for realizing the society we are striving for.

[AL-SHARQ AL-AWSAT] What mechanism in your opinion could coordinate the work of these elements [not further clarified], and maintain harmony between them in a manner that would ensure the safety and coherence of the society and lead it to development?

[Ni'man] Parties in Yemen have not been established on the basis of tribes and clans as it is now obvious. Indeed the parties law took note of this matter, and one of the conditions for the establishment of any party is that it should represent the various parts of Yemen so that it will not be established on the basis of tribes and clans or regions.

In practical life this is considered an ambition to be realized within a disciplined framework. We do not want our old closed societies in this country to be locked with new locks. The new institutions should be expansive so that they be open to everybody in the society. Otherwise, we would be committing the same error I referred to.

[AL-SHARQ AL-AWSAT] Let's move from discussing parliament to talking about the Yemeni Socialist Party [YSP], matters involving it, its members, and its relations with the political parties and forces in the Yemeni arena, in light of your being a member of its politburo. Let's begin with the criminal incident when your house was the target of a rocket attack that was aimed at you. Do you accuse any party of being behind the incident, and were you the target of attack because you are speaker of the Chamber of Deputies or because you are a leading member of the YSP?

[Ni'man] I once said that one cannot be a judge or a court leveling accusations against other. This was my answer to questions regarding the attacks launched against the party some time ago. Today I repeat the same thing.

Since the attack on my house on 20 August I have not been talking about this subject, and I have left the matter to the security organs to carry out full investigation and to pursue those responsible for this criminal act, which is a kind of political terror. Personally, I still believe that I shouldn't accuse anybody nor blame this "deed" on any action I participated in carrying it out, because I still believe that differences in political action cannot be solved with rockets and projectiles but with logic.

Despite the many harsh attacks on me during debating the education law, I personally do not want and I absolutely will not allow myself to link this incident to that case. I believe that the security authorities should search for the attackers because I feel that a major conspiracy is being hatched with the aim of doing away with democracy and, at the same time, involving the country in a major sedition.

I disagree with those who try to water down such events. I read in the newspapers statements by certain people and some news reports, which I believe aim at watering down these grave incidents. If such incidents are lightly dismissed and are dealt with in such a manner, they will become serious—and, I would say, very serious for the country. I would call on everybody to avoid this political "wrangling" when the matter concerns serious events of this kind. I do not wish to mention these newspapers, but probably many people have read them.

[AL-SHARQ AL-AWSAT] Certain people accuse the YSP of being behind these operations which, it is said, they are part of settling old scores. What is your response to this?

[Ni'man] This is one of the tunes of their "broken record," which in fact are abhorred. It is also one of the attempts to create confusion in order to belittle the significance of these events. I hold those who do so greatly responsible because these incidents have gone beyond the limits of political "quarrels."

[AL-SHARQ AL-AWSAT] The YSP is a fifty-fifty partner in the government and its organs, including the security organ. Why doesn't the YSP shoulder some of the responsibility of searching for those who are behind these incidents, exposing their perpetrators, and bringing them to account in accordance with the law.

[Ni'man] Certainly the YSP shoulders part of the responsibility. We absolutely never said that the YSP is not responsible. It participates in the government at the top and exists in all the country organs. When we refer to the security organs we do not mean the organs of this or that organization, or to this party or that. Rather we are talking about security organs for which the ruling coalition is responsible.

[AL-SHARQ AL-AWSAT] The government on 26 August gave the security organs 10 days to uncover the perpetrators of incidents that disturb peace and commit acts of terror. Only two days are left before this period expires. What measures do you expect the government to take in case the security organs were unable to apprehend the perpetrators of terrorist incidents?

[Ni'man] I have read about this and heard it on the news after the cabinet meeting on that day. I believe that the government did not take this decision unless it has definite information; or perhaps it has reasons that drives it toward taking certain measures to deal with the security situation that has deteriorated to this level. This matter is left to the government.

[AL-SHARQ AL-AWSAT] As Yemen is standing on the threshold of elections, there has been talk about a project for a strategic alliance and perhaps a merger between the two ruling parties (the GPC and the YSP). We would like to know, first, what are the social forces the YSP (one of the two partners) represents, and what is the social philosophy on which it stands?

[Ni'man] In its new political program, the YSP views the question of unity, democracy, modernizing society, and building the state of law and order as tasks for the broad social forces of the various social categories, including the workers, the farmers, the national capital, and the tribal sheikhs. These are the forces that should at present build the society that is based on law and order in life.

In my view the YSP will be assuming direct tasks for a long time to come. The forces that will coalesce in order to accomplish these tasks are the forces that the party represents. Naturally, there is no need for all the forces to be in the party. What's important is that the Party should extend a helping hand to them and join them in building this society and achieving these tasks.

In fact, no party alone is any longer capable of accomplishing the task of building without coalition or conciliation with the rest of the parties. Should this take place, it should be based on common targets, where tasks overlap at certain levels and converge at some others. This has become one of the priorities of the YSP as well as its alliance concept.

[AL-SHARQ AL-AWSAT] Several terminologies are circulating among the various parties in the Yemeni arena. They range between "coordination," "alliance," "merger," or "merging." How far have discussions between the two parties on these options progressed?

[Ni'man] I believe that the YSP and the GPC, by achieving unity, have drawn much closer toward one another. The achievement of unity was not a mere political objective. Because if it were just a political objective it would have been achieved earlier. They [the parties] have come closer intellectually and politically as well as in understanding tasks of the present stage and the future one.

This rapprochement has brought closer the two former plans [presumably for unity] by both the YSP and GPC and, at the same time, realized an openness towards other political forces. Hence they have been projected as political pluralism and democracy.

Here lies the problem that's being discussed with somewhat greater detail. The question is that with the two former [unity] plans being closely similar, there is a common characteristic between them. Basically the idea is to deepen the political pluralism with the two parties shouldering the responsibility to deepen political pluralism and democracy. It is natural that, as they are heading for the new situation, they should talk with one another with an open heart, which in fact they did in the past period, first between themselves and then with the other political forces.

A wide variety of options were proposed regarding the YSP and the GPC. How this close similarity between the two plans will be viewed after unity is achieved and how will they be looked upon in the future has been a subject of discussion. As they [the two parties] were discussing these options, they saw no risk in proposing this or that

option. Discussion has been going on and still is regarding the future relations between the YSP and the GPC as well as future relations between the political forces and parties in general and how will they be seen within their coordination and alliance framework.

[AL-SHARQ AL-AWSAT] According to reports, a meeting was held a few days ago between the Permanent Committee (GPC Politburo) and the (YSP) Politburo in order to discuss these two options. The Congress strongly calls for immediate merger, while the YSP proposes alliance. It is said that the Politburo has asked Assistant Secretary General Salim Salih Muhammad at an earlier meeting to withdraw the idea of merger, merely because he shifted it from the GPC to submit it to the Politburo [as published], which prompted some people to say that there is an anti-unity trend in the party and in favor of alliance...

[Ni'man] [interrupting] Meetings between the two parties are taking place not only these days. They have been taking place all the time in the coordination and ad hoc committees to discuss many issues. On the contrary, all the issues are put before the Politburo for discussion. All the options are subject to negotiations, including the merger option and the question of how relations of strategic alliance can be established between the GPC and the YSP. It is not true that inside the politburo there are people who accept merger and others reject it. It is not true that there are people who accept alliance and others reject it. The [YSP] Politburo and the Central Committee frankly discuss all the options on the table. They believe that relations with the GPC are particularly valuable and of importance not only for the YSP and the GPC, but also for political life and for the country in general.

[AL-SHARQ AL-AWSAT] Prior to the elections, relations between the two partners in government were markedly active and the subject of attempts to develop them. This has created misgivings among the other political circles. Could the development of relations between the two ruling parties be aimed at expanding partnership with the other forces?

[Ni'man] First, I'd like to say that any alliance or any step toward rapprochement between the two parties is not a subjective political process but an objective one. It must be based on close or identical political programs and objectives of the parties involved. It is an intellectual and objective course. Therefore, I say that it is natural for this to be achieved within this framework which, if achieved, would be successful, and if achieved within another framework it certainly is a failure.

I cannot talk, for example, about an alliance between two parties that are opposed to one another. With regard to the YSP and GPC, I believe that, as I said at the beginning, they are objectively getting closer to one another, which facilitates the alliance process. Meanwhile, the matter does not become a political issue as much as it is primarily an objective issue.

That the other parties may have misgivings over this matter, as you said, I see no justification for these parties to have any misgivings over any alliance or coalition developing between two parties, such as the alliance that developed and we heard about between the Ba'th Party and the Reform Party.

[AL-SHARQ AL-AWSAT] Those parties have become allied while they are outside the government, while the YSP and the GPC are allied within the government.

[Ni'man] They might come into power tomorrow, or a different kind of alliance might develop tomorrow. In fact, the Reform Party itself is a broad alliance including numerous and different political forces. Meanwhile, I can see that such an issue does not create activity, because future political action should develop within its own objective framework, rather than having the present major doubts casting their shadows on life.

[AL-SHARQ AL-AWSAT] Is the rapprochement between the YSP and the GPC an intellectual one or a political one imposed by the elections?

[Ni'man] Allow me to tell you that if the objective is only political, then I'd say that it is 100-percent failure. But I view it from its objective aspect, more than I do at its political aspect. If this alliance is achieved for a temporary political purpose, then it will serve only a temporary political objectives. If we look at its positive aspect, then of course its future would be more secure.

[AL-SHARQ AL-AWSAT] More than eight months have passed since the YSP organizations held their elections in the provinces and districts. Yet the YSP did not hold its fourth General Congress. Is this because existing rifts between the party bases and the party?

[Ni'man] The YSP does not allow anybody at present to categorize its situation as being less than reflecting unity and cohesiveness at their best, despite all the difficulties inside the Party.

With regard to the Congress, we were hoping that it will be held this year by a decision by the Central Committee. Therefore, the complete election cycle for the Party organization was held beginning with base organizations and ending with provincial organizations. Of course, preparations are now being made to hold the Congress after completing its documents. We are now in the process of completing the arrangements for holding the Congress. We have for a long time been careful that our move toward a historic event involving the party should be done collectively. We avoid as much as we can having anybody left outside such event, be it an individual, or organization, or leadership.

[AL-SHARQ AL-AWSAT] All the political parties in Yemen, with the exception of the League of the Sons of Yemen [Rabitat Abna' al-Yaman], did not hold their congresses and did not complete the internal democratic election process on the leadership level. How do you think these parties can practice democratic action in public elections when they did not practice them internally.

[Ni'man] It is true that inside home repair is an important matter. We are one of the parties. We attach particular importance to our party's tasks. The objective is not to hold a formal congress, as it is happening here and there. We must continue discussion of the matter inside the party. Obviously, within this framework we agree and disagree, but we are heading toward success, God willing.

[AL-SHARQ AL-AWSAT] Until when will the YSP stick to the term "socialist" in its name, while such term does not appear in any of its programs?

[Ni'man] Until God rules, for He is the best ruler.

IRAN

Rafsanjani Reportedly Speaks of Mistakes

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[Article by Dr. 'Ali Nuri Zadeh]

[Text] Early last month Iranian President Hashemi Rafsanjani received in his office a group of Iranian expatriates who were visiting Iran at the Ministry of Higher Education's invitation after several years of expatriation. Rafsanjani asked one of the visitors, considered to be an international expert in the field of nuclear research, about his impressions of the visit to the homeland. The Iranian expatriate's answer to the president's question was similar to what the people in Iran are now reiterating. He said: "I have seen no basic change in the country except that the shah now wears a turban and his men have changed their clothing. The nightclubs have moved from the main streets into homes. Hypocrisy has become common. In fact, the person who pretends to be more religious than the others is appointed to a higher post." In the midst of astonishment and perhaps concern by others attending the meeting, the president told his visitor that he was right. All that Rafsanjani wants to do now is to end the republic of pretensions and hypocrisy and proclaim the establishment of the republic of justice and truth. Those closely watching the Iranian president's steps say that after three years of playing the game of attack and retreat with the "inheritors of the Imam," he has actually launched his attack on leaders of the republic of pretensions.

Observers agree that Rafsanjani has been one of the most important men since the revolution was launched and perhaps the closest to Khomeini. They also agree that Rafsanjani is an independent person, as demonstrated by his resistance to Khomeini's attempts to turn Iran into an isolated fortress from which revolutions are exported. About Rafsanjani's repeated confrontations with Khomeini, it is said that once Rafsanjani went to see Khomeini at Shemran (north of Tehran, where Khomeini resided) after a brief visit to the Iran-Iraq front during the last weeks of the war. Khomeini, along with his son Ahmad, was meeting with some of his men. After greeting his teacher, Rafsanjani said in a loud voice: "In my capacity as acting commander in chief of the armed forces (Khomeini was the commander in chief but delegated his powers to Rafsanjani), I intend to accept the cease-fire in order to prevent the fall of Khuzestan and the advance of the Iraqis into our country. I am fully convinced that our people will welcome the decision to end the war." When Khomeini said that accepting the cease-fire would be tantamount to admitting failure, Rafsanjani replied: "Admission of failure is better than falling into the enemy's hands. I am confident that one day we will achieve all of our principal objectives, the foremost of which is international condemnation of Iraq for its attack on Iran."

Thus Rafsanjani convinced Imam Khomeini to accept the cease-fire and to drink the "cup of poison," as Khomeini described it when he announced the end of the war. An adviser to Rafsanjani who was with Khomeini during the last part of his life said that events have confirmed Rafsanjani's predictions and the day when the world condemned Iraq and confirmed Iran's right to punish the aggressor came to pass.

A son of Bahraman village, Rafsanjani entered a religious school in his youth. After graduating, he became a successful contractor and the head of a major business organization that still owns a peanut farm in Kerman Province. A look at Rafsanjani's life shows that he has been a man of distinguished character since he began his political and social life. He is different from the rest of the clerics.

When the revolution broke out, Rafsanjani, unlike the rest of Khomeini's men, was not interested what the press said about him. During the historic meeting at which it was announced that engineer Mehdi Bazargan has been chosen to head the provisional government, most of those attending the meeting were surprised that Rafsanjani read the text of the letter of designation. It was expected then that one of Khomeini's known men, such as Beheshti, Yazdi, or Qutb Zadeh would read Khomeini's resolution. But the son of Bahraman did so, thus confirming that he was Khomeini's favorite student and personal adviser.

During the first parliamentary elections after the revolution, Rafsanjani's appointment as the individual in charge of conducting the elections was yet another confirmation of the man's standing with the leader of the revolution. Throughout the time he was speaker of the assembly, Rafsanjani was member of the Higher Defense Council and chairman of the Supreme National Security Council. Therefore, those who criticize him said that he is the first to blame for the conditions that Iranian citizens are living in today. According to these people, Rafsanjani should have changed the course of government and ended the role of the centers of power in order to free the citizens from the shackles that the revolution imposed on their lives, whether on the social or the political level. Rafsanjani's colleagues and supporters say that changing the course of the revolution or carrying out a radical change in the type of government was not possible during Khomeini's era because he was living in a world of fantasy. He was not prepared to abandon the values he embraced since his youth. Rafsanjani's supporters say that he has shifted Iran from the stage of "revolutionary emotions" to that of "constructive calm."

Following Khomeini's death, Iran experienced a critical period during which it was difficult to adopt any decision contrary to Khomeini's because of the great difference between the personality of the founder of the Islamic Republic and his successor, Ayatollah Khomeini, who, thanks to Rafsanjani's initiative, became the guide of the revolution. When Khomeini died, there

were more than 20 religious authorities in the country who were more efficient and more knowledgeable than Khamenei. There were five senior religious figures, such as Mar'ashi Najafi, Golpaygani, and Alghomy, who were expected to be chosen as a replacement. But Rafsanjani intervened in the struggle in the council of advisers that was to appoint a successor to Khomeini and resolved the battle in favor of his ally, Khamenei. As a result, Khamenei has remained loyal and supportive of him in the conflict that began immediately after Khomeini's death between Rafsanjani and those who consider themselves Khomeini's successors, beginning with Khomeini's son Ahmad and ending with extremist figures such as Karrubi, Mohtashemi, and Kho'ini Ha.

It was clear from the first day Rafsanjani assumed the presidency that he was quite different from the others. His first objective was to improve Iran's image and the country's poor economic and social situation. There is no doubt that achieving these goals was not possible with the existence of the centers of power and the domination of radicals. Dr. Mohammed Javad Larijani, Rafsanjani's adviser on the Supreme National Security Council and Tehran's deputy in the assembly, wrote an article during the first year of Rafsanjani's presidency in which he said: "Iran is in need of a real coup in order to make things normal again. What we are seeing now are just attempts by those people with vested interests to delay the coup." According to Rafsanjani's adviser, the five-year plan that was announced at the beginning of Rafsanjani's era was tantamount to "a demonstration before the coup."

If Larijani is right, what is now happening in Iran is the final stage before the revolution, in view of the sensational developments that Iran witnessed in the past six months. The most important of these developments, according to circles close to the Iranian president are as follows:

- Ending the radicals' control of the assembly and electing Ali Akbar Natiq Nuri, one of Rafsanjani's prominent allies, as the speaker, in place of Karubi, who led the opposition to Rafsanjani's policy.
- Expulsion of the radical carriers of the Imam's banner from sensitive and leadership positions in the Revolutionary Guard and security forces.
- Purging the foreign ministry of the Revolutionary Guard personnel, the intelligence elements, and members of the Imam's line movement and replacing them with educated and qualified cadres to represent Iran in foreign countries.
- Restricting Ahmad Khomeini's activities and maintaining control on his statements. In this regard, it is recalled that the newspaper SALAM, owned by Musavi-Kho'i'ni Ha, an extremist figure, revealed last week, in quoting recent statements by Ahmad Khomeini attacking Iranian ambassador to Saudi Arabia Dr. Mohammad Ali Hadi Najaf Abadi, considered to be close to Rafsanjani, that the pro-government newspapers, radio, and television omitted passages from Ahmad Khomeini's speech.

- Disbanding the revolutionary committees and attaching their members to the police force, and establishing one single force to be named State Security Forces, which is under the command of a senior regular officer, namely General Hasan Sohrabi.
- Boosting the role of the Army and curtailing the role of the Revolutionary Guard in protecting the Iranian territories and thwarting conspiracies against the country's security and sovereignty.
- Speeding up economic reform by encouraging the private sector's role and adopting openness toward the West and foreign investors, reducing the government sector's role, and shifting from a restricted economy to a free economy. It is worth noting that Rafsanjani recently defended the idea of attracting foreign investors and creating a free market. He admitted that a closed-door policy is wrong.

The basic change that has occurred in Iran's foreign policy in the past few months was, in the opinion of Rafsanjani's supporters, one of the most important developments in his era. Iran, which in the view of its neighbors has been the source of trouble and a haven for those who are outlaws in their countries, has changed into a friendly neighbor, thanks to Rafsanjani's policy. Iranian sources confirmed that Rafsanjani has ordered the dismissal of hundreds of revolutionary groups in the past months. Most of these have sought refuge in Sudan, whose regime is trying to replace Khomeini's Iran, according to one diplomat.

According to reports from Iran, Rafsanjani's next steps will focus on the following:

- Arresting some extremist figures, such as Sadiq Khalkhali and Hadi Ghaffari, known for abusing their position by profiteering and building business empires inside and outside Iran.
- Lifting restrictions on political movements and media activity, as far as permissible by the Iranian Constitution.
- Encouraging the Iranians who have fled the country to return home by proclaiming a general pardon, which Revolutionary Guide Khamenei will announce shortly.
- Releasing a large number of political detainees.
- Proclaiming new laws to protect foreign capital with the aim of encouraging foreign companies and investors to participate in Iran's economic projects.

With regard to the foreign policy, resumption of relations with Egypt and taking preliminary steps toward restore relations with the United States are top priorities in Rafsanjani's future programs.

A source close to the Iranian president said that the present government, which inherited some of the personalities of the previous governments, has been unable to implement the president's plans, making a government reshuffle unavoidable. But the timing of this change will depend on the extent of Rafsanjani's ability to terminate the centers of power and remove members of the government who represent those centers.

An official in Rafsanjani's office says that the mutiny that took place in Meshed and the earlier mutiny in Shiraz and Arak have sounded the alarm that the country is in need of a basic and major change.

Envoy to ICO on U.S. Relations, Saudi Ties

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pp 24-26

[Interview with Iran's ambassador to ICO (Islamic Conference Organization) Dr. Sabah Zanganeh, by 'Umar [Justaniyah]; Jiddah; date not given: "King Fahd, Rafsanjani Summit To Be Held Soon; Iraq's Partition, Explosive Threat to Region;" first paragraph is AL-WASAT introduction]

[Text] Dr. Sabah Zanganeh, Iran's ambassador to the Islamic Conference Organization [ICO], in a private, comprehensive interview with AL-WASAT, confirmed that efforts were being made to hold a summit between the custodian of the two holy mosques, King Fahd Bin-'Abd-al-'Aziz, and Iranian President 'Ali Akbar Hashemi-Rafsanjani, in the near future. In this interview, Dr. Zanganeh touched on Iranian-American relations, making it clear that attaining a number of demands would lead to improvement in these relations. The Iranian ambassador warned against the partition of Iraq, because that would threaten the region with explosions. He said that his country does not believe in negotiations with Israel. This interview also touched on the situation in Afghanistan, and Iran's relations with Egypt, Sudan, and Lebanon, as well as other issues. The following is the text of this private interview with Dr. Zanganeh.

[Justaniyah] How do you view Saudi-Iranian relations at the present time? Will a summit meeting be held between the two countries soon?

[Zanganeh] The custodian of the two holy mosques, King Fahd Bin-'Abd-al-'Aziz, sent an invitation to President Rafsanjani to visit Saudi Arabia. The Iranian president has also invited King Fahd Bin-'Abd-al-'Aziz to visit Iran. It was presumed that this meeting would have been held already, but busy schedules have prevented that. I believe that efforts are being made to hold a Saudi-Iranian summit in the near future. All that is needed is to set the time and place. Political relations between Tehran and Riyadh are now good, and we hope for even more. Negotiations between the two ministers for foreign affairs continue, and points of view are exchanged regarding many pending matters. According to my information, Saudi Foreign Minister Prince Sa'ud al-Faysal will visit Tehran in the near future, completing the mutual exchange of visits. Perhaps the two ministers got together at the foreign ministers meeting, held in Istanbul, in order to prepare for this meeting. I believe that many subjects are slated to be discussed between the two ministers, from joint political co-operation to economic, regional, and Islamic co-operation. I can confirm here, speaking as resident ambassador to the ICO, that

Islamic co-operation between the two countries has reached the summit and has been reflected by a good image regarding the Muslims of Bosnia-Herzegovina, Burma, Central Asia, and other places. The co-operation will be extended to all levels. Economically, we hope that new development will form a solid foundation for any political relationship. We hope to expand further the bridges of co-operation between the two peoples, and that discussions of security and peace in the region will deepen relations between the two countries.

[Justaniyah] Has there been a detente in Iranian-Egyptian relations?

[Zanganeh] Egypt has a major role in Islamic history, as well as a distinguished role in the region. There is a rapprochement and good points of view between the two countries concerning many issues. We hope that the two countries reach a formula that will ensure relations on a good level. The two countries have longstanding mutual relations, which may have passed through periods of coolness and separation. The restoration of these relations may be through mediation of friends of both sides, or even, through meetings of foreign ministers at non-aligned summit conferences. Perhaps, such meetings will help to bring points of view even closer. Matters are currently going in the right direction between Cairo and Tehran. In the first place, we call for creating strong relations in economic and social fields, which could become a basic pillar for any security situation in the region, so that the will and mutual interests among the countries of the region become intertwined. As for security aspects and treaties, they will be like a safety gate for situations. The security of the region must be based on its own people only. There is no objection to beginning here and, then, going off to other areas.

[Justaniyah] What about Iran's relations with Sudan, and Tehran's position vis-a-vis Dr. Hasan al-Turabi, the leader of the National Islamic Front in Sudan?

[Zanganeh] We look at Sudan and the other Islamic nations as part of the map of the Islamic world. Relations must be created with all parties in this world. We have as a condition that these relations not be directed against others. This is the point of departure for our relations with Sudan, the Islamic country that has resources to enable it to complement our economy and the economies of other nations. Each country has its regime and its special direction of government and policy. That remains an internal affair. However, there is no alliance of one state against another, as some think. We do not think like that and will not accept it. Al-Turabi has his agenda and views, some of which I might approve and some I might not agree to. Our relations with Sudan began to strengthen since the days of al-Sadiq al-Mahdi, i.e., before the present government.

Dangers Threaten Afghanistan

[Justaniyah] How do you evaluate the current situation in Afghanistan?

[Zanganeh] Afghanistan is a neighboring Islamic country linked to us by bonds of religion, language, culture, and aspirations for the future of the Islamic world. However, unfortunately, we see those conflicts, disputes, and kinds of conduct as unstable. Stability is basic to any progress. I think that the Afghan mujahedin have an excellent image, but dissension tears at them. We also believe that dangers continue to threaten the country's security and future. I fear that our Afghan brothers will lose the respect that they have earned on the international level. They must remember that there are about 6 million Afghans in neighboring countries, who hope to return to their homeland. However, in light of these battles, the feverish race for power and domination, and the rise in the pitch of the dispute among the Afghan leaders, the situation will become more complicated. Everyone has the right to express and propose viewpoints regarding events and to determine their destiny, but only by the language of dialogue. Fortunately, we are hearing a call to hold a general referendum that will include everybody. I would like to remind the Afghan leaders that establishing the bases of government over the long term requires serious views, capable of continuity, as well as principles of accord and cohesion. I am afraid that certain factions of Afghan leaders, i.e., those who have private economic resources to finance these clashes, continue to be desirous of unstable situations. The Afghan people are losing more and more. I am also afraid that the people will reconsider those leaders, as a result of that frantic race that is going on, despite the fact that these matters were previously agreed to. I also think that the Islamic nations will be incapable of fulfilling their obligations to their Afghan brothers, if they continue in this situation. We don't want the Afghan people to have to pay the bill for war, occupation, and their leaders' feuds.

[Justaniyah] But, the Afghans accuse Iran of interfering in their internal affairs. They say that Iran is trying to open three consulates in that country.

[Zanganeh] This is a very old charge. It was a previous Iranian request, during the time of the invasion, and has not been renewed. In the past, that was our view. We had a point of departure and goals. Today, the situation has changed. We have the possibility of reaching an understanding through political negotiations with Afghan leaders. We do not want to interfere in Afghanistan. I can say, in all candor, that our Afghan brothers know that very well.

Danger of Partitioning Iraq

[Justaniyah] How do you see the situation in northern Iraq after the assassination attempt against Mrs. Danielle Mitterrand, the French president's wife, during her recent visit to Kurdistan?

[Zanganeh] We have good relations with the Kurds and, on the basis of them, we do not believe that division and partition is a correct way to resolve the issue of northern Iraq. Any change will threaten all of Iraq with explosions

that will spread to neighboring countries and other areas. Iranian protests have been lodged against these theories, noting that the Kurds have offered many reassurances to Turkey and elsewhere. Since the French president's wife, accompanied by the French minister of health, undertook to visit the area, perhaps it indicates the presence of directions peculiar to a few. The Kurds ought not to allow the situation to go down the road of no return. Partition is not in the interests of the Iraqi people, the region, nor the world, out of concern for this region and its relationships.

[Justaniyah] Does Iran intend to take part in the rebuilding of Lebanon? Do Iranian officials still support Hizballah activities against Israel?

[Zanganeh] The Lebanese, with their abilities and assets, are the principal candidates to rebuild Lebanon, with the Islamic countries in second place. With regard to Iran, we have offered, and will continue to offer, assistance to that country, until its beauty as well as its strength, economically and intellectually, returns to the area. We have given assistance to the Lebanese south, since it is a hemorrhaging wound in Lebanon. The Iranian Martyr Organization has embraced all Palestinian and Lebanese families of the Israeli invasion on Lebanese territory. The Iranian Relief Organization has founded workshops, small factories, and local consumer cooperatives to provide job opportunities and goods for the Lebanese consumer. We have participated in building some hospitals, mosques, and schools as well. We will continue in this area. We are having discussions with the Lebanese side. Iran will not be stingy with assistance. As for Hizballah, it is a Lebanese national movement that resists Israeli occupation in the south. The Israelis try to blame Hizballah for what is happening there. It must be said that we do not believe in negotiating with Israel, on the basis that Israel's presence is unnatural in the region. We have living proof now. Yitzhak Rabin, after coming to power, has begun to play fast and loose and to maneuver. Building settlements still continues. On the other hand, we ask: Has Egypt obtained all that it agreed to with Israel?

Iranian-American Relations

[Justaniyah] What about Iranian-American relations. Are there efforts to achieve a rapprochement between Washington and Tehran?

[Zanganeh] We divide relations with the United States into three stages. Before the revolution, relations were based on master and slave. This was a form that we do not welcome nor want, inasmuch as America controlled the people's resources and economic planning in the country. Something horrible and dreadful was discovered inside the American Embassy. It was interfering in all political and economic aspects, and everything was tied to American decisions. The second stage was after the success of the Islamic revolution, when Iran demanded that the United States change its way of doing business with us. During this stage, the American

Embassy in Tehran operated for a while, continuing its interference, until it reached the point of a military coup being planned, along with a great many other actions. However, the Iranian people reject American guardianship. We have always differentiated between the American people and the American administration. The third stage is the present time. We demand mutual respect for sovereignty, that the embargo be lifted from Iranian funds in America, and many other matters. This would help to change the outlook gradually. There are problems still pending between the two countries. Rapprochement might occur with regard to some issues and fail in others. We are ready for mutual action with European nations, Japan, and the rest of the world, provided that exploitation is not imposed on us. With the United States, we need proof of good intentions first and a change in the way we are perceived.

How Saddam Deceives Others

[Justaniyah] How much money will Iran require to rebuild what was destroyed during the war with Iraq?

[Zanganeh] We might need this year, and for some years to come, between \$5 billion and \$6 billion. Damage is estimated at \$100 billion.

[Justaniyah] Has Iran been able to rebuild Khark Island, which is considered one of the biggest Iranian oil facilities? Have the refineries there begun operation? Why does Iran import Kuwaiti oil derivatives?

[Zanganeh] We are not against co-operation or benefiting from the capabilities of neighboring states. Neighboring states also benefit from Iran in other matters. The problem is that the need for petroleum derivatives in Iran is great. The war that was imposed on Iran by Iraq consumed a considerable part of Iranian economic capabilities and damaged our growth centers. Before the war, there were several proposals for oil projects and refining centers. However, they were halted because of the war. Until many of these centers are operational, especially those on the border with Iraq, we will continue to benefit from our neighbors' capabilities. This leads me to a question: How was Saddam able to deceive others in the second Gulf war and occupy Kuwait? I am still seeking an answer.

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